The House reassembled after lunch at thirty-one minutes past two of the clock,

The Vice-Chairman (Shri H. Hanunun-thappa) in the Chair.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA) Papers to be laid on the Table.

SUPPLEMENTARY DEMANDS FOR GRANTS FOR EXPENDITURE OF THE GOVERNMENT OF PUNJAB FOR THE YEAR 1987 88

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRl B. K. GADHVI): Sir, I beg to lay on the Table a statement (in English and Hindi showing the Supplementary Demands for Grants for expenditure of the Government of Punjab-for the year 1987-88 (First Batch—August, 1987).

SHRI NIRMAL CHATTERJEE (West Bengal): How much is the additional ex-penditure?

SHRI B. K. GADHVI: I have laid the statement on the Table. You can go through it.

SHRI NIRMAL CHATTERJEE; You can mention it since you are on your leg.

PAPERS LAID ON THE TABLE—Contd.

Notification of Ministry of Finance (Department of Revenue)

SHRI B. K. GADHVI: It is easy for you to work out. This is mostly for industry, planning, relief and rehabilitation. *(Interruptions)*

Sir, I also lay on the Table, under section 159 of the Customs Act, 1962, a copy (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notification No. 289|87-Customs, dated the 10th August, 1987, amending Notification No. 30i83-Customs dated the 25th February, 1983, so as to reduce the basic customs duty from 25 per cent to 10 per cent *ad valorem* on components of fuel-efficient two-wheeled motor vehicles under phased manfacturing programme, together with an Explanatory Memorandum thereon. [Placed in Library. *Sec* No. LT—4583/87].

MOTION FOR APPOINTMENT OF A JOINT COMMITTEE OF BOTH HOUSES TO ENQUIRE INTO THE ISSUES ARISING FROxM THE REPORT OF THE SWEDISH NATIONAL AUDIT BUREAU RELATING To THE BOFORS CONTRACT TO SUPPLY 155 MM HOWITZER GUNS TO JNDlA-Contd

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Shri Dipen Ghosh to continue his speech.

SHRl DIPEN GHOSH: Mr. Vice-Chairman, Sir, I would like to complete. I was talking about the power to be given to this Committee, u;ihinder:d pow:r, to summon and examine Minister as well as foreign officials and agencies to get at the truth. Here, the Minister of Defence has agreed to give this power, but the prerogative is with the Speaker This means, the Speaker has been given the overriding authority to decide whether the Committee would be given such power or be able to exercise such power. But I was pointing out that the House is supreme, Parliament is supreme and this a spesial situation where Parliament has been called upon to set up a Committee to find out the truth. Therefore, when this Motion has been brougnt to this House, the House should straightway give the power to the Committee; the House should leave it to the collective wisdom of the Committee. This Committee will consists of Members of Parliament. The Chairman will be a Member of Parliament. The collective wisdom of the Committee will be surely better than that of a particular individual, who is elected by the House. My point is that the Speaker should not be given, this overiding authority. Iffstead the Committee should be given the power, unhindered power, to summon and examine Ministers as well as foreign officials and agencies. The third point is—to which also the j Minister of Defence has not agreed—-in i regard to giving the Chairmanship of the

[Shri Dipen Ghosh]

Committee to the Opposition. The Minister has taken recourse to certain norms and procedures; that the Chairman of a Parliamentary Committee normally, is nominated by the Speaker. True. But a certain principle is followed. Take for example, the Public Accounts Committee. The Speaker nominates the Chairman, but nominates him from among the Members of the Opposition. So, the Government should agree to the principle..

SHRI K. C. PANT; Any other example.

SHRI NIRMAL CHATTERJEE (West Bengal): There are two Rajya Sabha Committees which ire presided over by the opposition.

SHRI DIPEN GHOSH; The nature or the type of the proposed parliamentary committee will be that of the Public Accounts Committee, to find out the truth about irregular payments. So, here if you give the chairmanship to the opposition, it will heighten the credibility of hat Committee amongst the public. But if you want to usurp that post also for your own Member....

SHRI K. C. PANT: 'Usurp' is rather a strong word.

SHRI DIPEN GHOSH: The point is, before the Committee is set up, before the Committee is asked to investigate, the leader of the party comes to the House and says I am not the person who has received any consideration, What does it mean? Does it mean that he has not received any consideration, none of his family members has received any consideration, but it is somebody in his Government, in his Cabinet itself, who has received the consideration? What does it mean? Before investigation a judgment is given. He should have ocme before the Committee and said that he has not received any conideration.

Finally, Mr. Vice-Chairman, in Bengali there is a saying and in Hindi also I know there is a song—

"मैं नहि माखन खाये"।
लेकिन दुनाई देता है, मैंने ही माखन खायो।

SHRI K. C. PANT: There is still seme hope for my hon. friend in the spiritual field.

DR. BAPU KALDATE (Maharashtra) He is talking of 'makhan', not of sptrrua-lity.

SHRI DIPEN GHOSH; Now if I accept the sincerity expressed by the Minister in his speech that now a *prima facie* case has been established and that they want to come to an end of the controversy by reaching the truth and for that they have come up with this motion, if that is the case, the proposed Parliamentary Committee should be given adequate, unhindered powers so that it can unearth the truth. If there is any hesitancy which is now very palpable in whatever they have given so far to accommodate the opposition views, they have come in driblets still they do not want to give unhindered power. it means that they have something to hide though they are saying that they have got nothing to hide. If they have got nothing to hide, what prevents them to eive adequate power to is Committee? What prevents them to give chairmanship of this Committee to the opposition? If they consider themselves above board, what prevents them to agree to the views of the opposition? Surely, in. that case I conclude that they have got something to hide and that something to hide is that their own men are involved in this transaction. However hoarse voice they even their leader, may make from their house-tops, but an ordinary man in the street will not believe them. The people think that there is something to hide and that is why they are dragging their feet. Firstly, they dragged their feet to constitute a committee. Once they find that they cannot avoid constituting a Committee, now they are dragging their feet to give adequate power to the Committee to unearth the truth.

Therefore, I conclude that first of all, this Government is inefficient that it cannot ensure its own decision its own procedure to be followed while making defence transactions This leader of the Government, the Prime Minister is incapable of protecting the exchequer of our co-

untry from being looted by certain persons, from taking away that money from lndia to abroad and depositing it in Swiss banks. This Government is trying to shield certain persons who are involved in those transactions and those persons are well entrenched inside the Government in high places and that is why they do not want to empower this Committee with adequate powers. So, I do not agree to their Motion and instead I put forth my amendments so as to enable that Committee to have adequate powers to unearth the truth. Thank you, Sir.

SHRI MURLIDHAR CHANDRAKANT BHANDARE (Maharashtra): Mr. Vice-Chairman, Sir, I rise to participate in a debate which many will agree with me is unprecedented. It is heartening to see that the Opposition Members have lifted (heir boycott o: two weeks and chosen to be with us for this very important and crucial debate. They have felt that no other questions—like the severe drought or the communal; violence, or terrorism, or even the epoch-making agreement between Sri Lanka and the Tamilians, which has been universally acclaimed all ever the world—were matters of that consequence that they could not wait for a couple of days to discuss this issue. But I am glad that what I felt was the legitimate thing to happen in these matters has happened, because we are a Second Chamber, weare there for second thoughts, we are there for mature thoughts. The second reason why 1 say that this debate is unprecedented is because we are debating a Motion which had been boycotted by the Opposition in the other House. They have said that they would not associate with such a Joint Committee. Now that is also unprecedented. Therefore I hope, when I have done—I must assure my friends that I have felt their separation for more than they may have felt mine in not coming to this House for the last few weeks—and when I have finished the various arguments, the Oppo- sition will retract and see to what is being: Achieved by this great institution, by this grand form of the people—the Parliament.

When I rise today, let me preface my remarks by saving that I rise more as a parliamentarian, I rise today because of my undying faith in Indian democracy, which, again, is the envy of the rest of the world the largest and the finest, and I want to find how we are going at the end of this debate to show how we can blossom, how we can fulfil, how we can achieve the tools that have been placed at our disposal in a manner that will satisfy the public opinion. Here we have no personal opinions. We merely reflect the urges, we mirror the aspirations of the public at large and there is hardly any other question which is agitating and exercising the minds of the people. That agitation is about one thing—who will find the truth and how will he find the truth? And to this end I am going to address my speech today.

The first thing which I want to point out is sequence of events which has been elaborately set out here. Two things I want to point out: that the Swedish Radio made an allegation of a bribe of 5 crores, only 5 crores, on 16th of April. Who pursued the matter? The matter was not pursued by the gentleman who came from Hong Kong and sat here. I don't want to give the names because I am not used to giving names unless the gentleman con cerned is present here. And I don't know whether he met my friend Mr. Upendra or my friend, Mr. Gurupadaswamy whose presence I miss today. Yet we waited to find out whether any further information was coming—and it is a. matter of regret that nothing came forth. Let everyone read what I said on that occasion. At no stage did any one of us 'say that we want to hide the truth. We, of course, said, that the whole thing was premature and, as I said at that time _____

SHRI NIRMAL CHATTERJEE: Does anyone in his senses ever say, "I want to hide"? You said that nobody said he wanted to hide.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: All that I am trying to say is that there are two aspects of the inquiry. When the Swedish news came, there were two aspects of the inquiry. The first one was, as the situation then was, whether any payment was made. The

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second one was, what kind of payment was made to whom it was made, why was it made, how was it made, was it made in Swiss bank accounts or was it made in Indian rupees? . . . *(Interruptions)*... am always obliged to honourable Members of the Opposition because, when they respond like this know that they are tryiag to appreciate what I am saying. So, there were two stages of the iquiry. One stage was to find out. At that stage I said that it was in the realm of gossip. I said it then and I repeat it now. The day when we held the debate and all the material was placed before this House, it was nothing more than a bazaar rumour. Therefore, I gave the illustration and said, if something more concrete, more positive, comes, we must look at it. I think a stage has now come. Now that it has been established that large sums have been paid, a stage has come when we should answer this question which is agitating the mind-as is rightly said of every man in the street-as to who received the payment, why did he receive the payment, how did he receive the payment and in what manner did he receive the payment? In fact, when I am on this point, I just want to rend how the Audit Bureau addresses itself to this question. This is what they say and this is what they have not been able to accomplish. I quote:

> The National Audit Bureau has assessed that the assignment to carry out an audit comprised examining whether or not payments were made."
>
> "If so, to whom at what time, in what amounts, under what classification?"

Meaning, *why* was it paid? Now it is precisely these questions which have remained unanswered by the Audit Bureau. We have now to answer them if it is possible for us to do so, subject to the various arguments made by the Opposition. *(Interruptions)*. .

उपसभाध्यक्ष (श्री हेच० हनुमनतप्पा) आप अपने स्थान पर खड़े होकर ही बात कीजिये यहां से नहीं।

SHRI MURLIDHAR CHANDRAKANT BHANDARE: At this stage let me make it very clear that the very iirst Swedish report said-and I quote again from what appeared in the papers :

> "The Swedish State Radio said today that the arms firm, Botors, won Sweden's biggeist export order by paying bribes to senior Indian politicians and key Defence figures through secret Swiss bank accounts."

As far as I remember the debate. What was denied was that they paid bribes to 'enior Indian politicians and key defence figures. This is what we said was false. May I request the hon. Minister to make a not of the query I am putting, whether or not the stand that bribes were paid to high, senior Indian politicians and key defence fiures is still persi ted in by the Swedish Radio? To my mind it is not. Therefore, there is no use of again trying to confuse by saying that when we said that this was false, this was malicious, this was malicious, we were not accurate in saying what we said at that time.

There are many other questions which arise. But, when we address ourselves to this que tion I find that in May there was an allegation only for Rs. 6 crores. Today's position is because of the efforts of the Government. I still rember when Mr. Arun Singh who was then Minister, at the end announced, when we had packed our papers and we were about to go, he said, We have requested the Swedish Government to have an enquiry." In fact, I was a little annoyed. I went to him and asked "why did you announce it at the end? Why did you not announce it at the beginning of the debate?" He said, "We received news just now that they have agreed, and therefore, I have announced it now." The only point that I am saying is that I am saying is that this pursuit for truth has been done vigorously, ceaselessly and efficiently by the Government.

Whatever you may say, I know what happened in May and June Stockholem is the capital of Sweden. It became the Mecca for everybody to go there. Several Of our friends were seen there. In

fact I am told that there was a god man whse pictures have appeared in many newspapers particularly the Dlustraied Weekly of India", that thrre was a king of international arms dealers. Both of them were silting in Paris, and they had a free ticket for anybody who could air something against the Government. In fact, it was so much. It went to uch an extent that at least one of the highest personalities in our country believed that he would give him all the details. But it was a case of god that failed, and the people who have gone there also did not come out with one-third or one-tenth or one-hundredth of what the Government itself brought before this House and before the country through the Audit Bu-I Report. So much for those who say that we want to hide, that we want to whitewash and so on and so forth.

I still remeber the words of the Prime Minister. "We do not want proof," he said at that time, "You give us some *prima-facie* case, and we shall bring the proof." And it is this process of bringing the proof, of establishing the truth in which the whole country can participate, and that is the importance of this Mo-

Now I fully realise that there are various roles attributed to the opposition. As -Tirney said, they proposed nothing but oppoe everything. As Randolph Churchill said it is to oppose and not to support the Government.

SHRI PARVATHANENI UPENDRA: You have run out of your brief now.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I am coming to your role. In a minute I will deal with it. The point I am making is, this role, I encourage, because without opposition there cannot be democracy, without friction there cannot be progress. Therefore, 1 welcome. At least I am one. When . things are said against me, I enjoy them most because that leads to greatest introspection, and introspection ultimately leads to better progress and belter realisation of oneself in any event. Therefore, I do not grudge thai.

But all the -Members of the Opposition will agree with me that there are areas of co-operative opposition, we cooperate every morning and every Afternoon and we produce the result which has made this very grand forum really the envy of the rest of the world. Therefore, I consider myself as to why are these roles reversed? When you wanted a Bofors Parliamentary probe, we said we will have it, but we will have it only when sufficient material comes. And when sufficient material has come and we say now is the crucial and decisive step to find out the truth why is it that the Opposition want to back out? i am going to each one of the points which has been raised, but that also raises serious doubts in my mind. Please dispel those doubts, because I hope that you are lot playing a political game, because that political game will be far too dangerous for this country. What is today needed is to find out the truth through constitutional means. I know the Andhra Pradesh Government is going to send a team of its own.

SHRI PARVATHANENI UPENDRA: No. It is wrong.

SHRI MURLIDHAR CHANDRA-KANT BHANDARE; I am glad. It told you in the morning.

SHRI PARVATHANENI UPEN-DRA: Who said Andhra Pradesh Govt.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Then who is going?

SHRI PARVATHANENI UPEN,, DRA: We said opposition parties.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: All right. I am glatk In the morning I told Mr. Upendra He never contradicted it to me at that time. I said when you take your delegation to Sweden for this probe, please include me as one of the Opposition mem-l-;rs. *(InJcrruptions).*

Then I find that my friend here, the Lok Dal leader, said that he is going to send a Panel of retired Judges for the probe. Now, I just want to know whether these two panels which you are sending and many of them have already gone at the cost of the godman and what not earlier

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and come back empty handed, are they going to achieve something more than what this Committee can achieve to which] will come a little later? Therefore, lbs question is please decide for yourselves whether you want to participate in this Committee to really get at the truth. I will rather deal with the Committee at this stage and deal with all the arguments. I will tell you. Today I do not want this opportunity to be missed because we are doing something which is unprecedented. A committee of this nature, a committee to discharge these functions, was never constituted in the annals of our Parliamentary history. And I am one who hopes that institutions really work. There is always a spirit of innovation. There is always dynamism inbuilt. These are democratic systems and that is why we find the strengthening of democracy in our country. When we look at the Press outside, you go to England you go to Scandinavia, you won't find it as free, I iremember when the Swedish Members of Parliament came here, they told me that even in their country the Press is not as free and they could not say so many things' agains so many top personalities as this Press does. Therefore, these things have really come up to this stage because of the inherent strength, of our system. I will give you one illustration. Look at the Supreme Court. la the same Article—you take Article 32, Article 14, Article 19, Article 21, Fundamental Rights—the same article but the way it has now been shown by dynamic and visionary judges is that they never look at it saying, well, this Article does give Us this. They said yes right to life includes right to a decent livelihood. Yes, right to life includes right to life with dignity. All this is added. They did not come forward and say Constitution has *to* be amended by the Houses of Parliament and ratified by the State and we will not look into it. It is not a question *ot* what power you have; it is a question how we will exercise that power. I told you I have given anxious consideration to all this. If there was one thing I would express myself by saying, yes, this is the point, which Government should consider.

But as I said, I would presently

3.00 P.M. put R before the House. 1 think the amendments which have been suggested are really making a distinction without any difference. I ant glad that it was debated there. The Government had second thought's and it has come out with a revised motion. The Government had second thought and it has come out with a revised motion which excepting one point. I will satisfy that really meets all the points. In fact, I feel that the Government has tried totally meeting the points which the Opposition had raised there and which are now being raised here. Let me first look at some of the points which have been made because that is the most important aspect of the matter. First of all, he said about the Official Secrets Act. Subject to offi cial Secrets Act let me tell you, nobody can take that cover under the Official Secrest Act. Even in a court if a Govern ment officer were to come and say that I am covered by the Official Secrets Act, the court will siay, no, tell me how you are divulging the official secrets. If a privilege is claimed as regards any docu ment it is not for that officer to say that it is an official thing. The Judge looks at the document and finds out whether it is privileged or not I have no reason to beleve why our Committee will not look into the strength of weakness of that point. Please remember a greater principle is involved in this and that is the very rule of law. Nobody is above the law, not even the Prime Minister of India, not even the President of India. Therefore, please, if you have that thing, you will not insist on including that Official Secret Act. He will not get protection. It will not be used as a blanket cover. It will not be such a thing. I am quite sure. Therefore, 1 said it is not what powers you have. It is how we will exercise those powers. As Members of Parliament we- are called hon. Members because we are men of honour. Here we are bound by the oath which we subscribe when we come that we will do our duty without fear or favour and I do not for a moment doubt. Please remove this diffidence in yourself. Please remove this distrust for us because wherever, had an occasion to work in Committees, 1

have found nothing but harmony. I have found nothing but consensus, I have merely found a difference of opinion but that too on well laid principles which has taken us enarer the objective and not a difference which has taken away from the objective. I have no doubt that we are determined somehow or other to compromise. Therefore, make your point clear that we are going to raise this issue in Parliament only for the purpose of eeping it dangling for all the time to come; when you move a motion we will not participate it. We will back out of the thing so that ultimately the truth is not found. Have it either way. You are going to have the cake and also eat it.

It has been said in the other House that it will be an All India Congress Commit tee. But please remember that even the Members of the Congress let anybody contradict this—have proved to be non-partisan when they have acted in Committees whether it is PAC whether it is COPU whether it is Estimates Committee.

SHRI NIRMAL CHATTERJEE: I ,;an give you an example.

SHRI MURL'DHAR CHANDRAKANT BHANDARE; You can give. There are differences to take us near the object. Look at the Kuo oil deal case which was in vestigated by the COPU and if you see carefully what a Committee can do you will not feel as helpless without the powers.....

SHRI NIRMAL CHATTERJEE: I do not want to mention the instances when the majority turned down in the PAC...

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I am talking about Kuo oil deal. We were in a majority in COPU and Mr. Bansi Lal was the Chairman of that Committee. I am talking about that report I am talking about something against us. The point which I am making is that when you work in a committee, you work for an objective. Of course in the House you oppose. Then, we are bound by the Whip. There is no Whip in the Committee. It has no place at all. The Anti-Defection Act does not apply to the procedings of the Committee. Nobody can issue a whip that in the Committee we will do like this or that. The second point which I want to make is, for non-observance of the direc tions of the Committee, the wit nesses will be guilty of breach of privilege. They ace under threat of being sent to jai| if they show any defiance to the legitimate directions and orders of the Committee. We are a Parliament which represents 750 million, the largest ever. We represent the power of the people and no Government, howsoever mighty including the Swedish Government will disobey the dictates and wishes of the Committee when it sends its requests and appeals to that Government. I have no manner of doubt about it. In fact, what you will not achieve here will be achieved if you work, work consciously, work very very seriously and work with great effort to get at the truth. Of course Sweden, luckily is as open as we are. In a sense it is a little more open society, it is said, which I do not approve of. *(Interruption)* The point which I am making is, all the questions whether this procedure is there, that power is there, etc. are beside the point. These are all implied. The power of summoning is there. I put it in an omnibus manner. We all observe the Tules of the game and therefore, when we leave it to the Speaker, ultimately he will give permission to allow any discussion on any point. Therefore, our system is such that everything is overseen everything is controlled by the Speaker and therefore, just for the sake of your satisfaction to overthrow the system and then say, "We will not have this, the Committee will decide." is not a very correct thing to do. There is no reason to think that the Speaker will overrule what the Committee has legitimately decided. These are precedents for the future.

SHRI NIRMAL CHATTERJEE: Don't you conceive that this game does require that rule7

SHRI MURLIDHAR CHANDRAKANT BHANDARE; There are rules of tha game. Is there any sane reason why the Speaker will not allow it?

SHRI NIRMAL CHATTERJEE: You are assuming sanity for all time to come?

SHRI MURLIDHAR CHANDRAKANT BHANDARE; These are the few points. All that I can say is, you are conveniently jumping to conclusions. I want to say two things. He has made a very serious allegation that this money has come out of our coffers. I do not know whether it can come. I wish it had not. Now I read from an article of my friend Shri Jaswant Singh who says, "Bofors A- B., with a good gun to sell, were vastly overpricing themselves against their nearest rivals—the French. Starting from an open, ing bid of around Rs. 1900 crore, they were able to win the contract by reducing their price by almost Rs. 500 crore. How did they achieve this and how could they afford to do both, that is, to reduce their price to the level of making' it the winner and yet have a cushion to pay monies to Indian interests"? On the surface at least, a reduction of this order seems quite a feat." And this is the feat which is achieved. I would only ask the hon. Members whether or not they gave it to the lower priced contract? *(Interruptions),* Let me complete. *(Interruptions),* The second point which he has made is, nowadays for the opposition nothing is complete without talking of some sort of Italian connection. Somuch so some of them started wearing Italian shoes all the time. The point I want to make is this and I have read it very carefully. He says the feature which is the most troublesome is what he calls Simmers. I do not know how it is called. It is an Italian company which is giving ammunition. So I would like to ask the honorable Minister whether any Simmers ammunition formed part of the deed and if it did not. I hope, at the end of this debate my honourable friend will at least have the courtesy of accepting that he was wrong...

SHRI JASWANT SINGH; Why at the end of the debate? I will be ready to accept it right now if it is so. I don't have to wait till the debate. You throw a challenge to me and I don't have to Wait till the end of the debate.. .

SHRI MURLIDHAR CHANDRAKANT BHANDARE: I am observing the rules of the game. I am sure before you speak you will have full details about Simmels Or whatever name it is and you will give the figures that so much ammunition worth so many crores has heen supplied and it is all siphoned off—and if it is not there, more than anybody I will be disappointed; let me tell you.

My next point is the question of confidentiality. As one who knows law I can tell you that this confidentiality has no place eianer under the Indian law or the English law. Confidentiality springs from public interest and not ordinary public interest lt is a public interest of a bigh order, high public interest, like security of State. That is where it is. It is not that some of my customers are going to be displeased. Therefore, I am going to tell -you that for this committee this will not be a serious question at all. They will he able to get over this question of confidentiality. And I make good my submission because, as I said, Sweden has more or less the same pattern of law and what was said by the Audit Bureau Report itself is very, very specific, I read here from page 2 of the Report: "The National Audit Bureau has informed A.B. Bofors that Swedish legislation does not allow absolute confidentiality." Therefore, let us not have a bogey of confidentiality. I am sure that when the stage comes you will arrive at the truth because the truth is being probed by people who are the spokesmen of the entire population of our country.

There are only two points which I want to make. Let us not talk in a way which will destroy the morale of our armed forces. People have been very loose. Some neople have been very, very vocal. It is no use saying this or that because. .

SHRI DIPEN GHOSH: How can you pr-serve the morale of the armed forces with a corrupt political leadership?

SHRl MURLIDHAR CHANDRAKANT BHANDARE; It is not corrupt. That is the point I am making. For your information let me read from an article which was published in the Hindu of 1st June 1987 and in this context first let me read what I had read from The Indian Express dated 6-6-1987:

It has also been reported by two independent sources in Sweden that the amount has been paid to the account of a 'firm' that styled itself 'Svenska Incorporated', that the amount has been paid into the Hanover Manufacturers Trust Bank and the Bank Suisse in Geneva. The man—a Mr. Lafont—through, whom the money was paid and handed too has been named."

Another article which was published in The Hindu ot 1st June says:—referring to this very -same company—

"From this it would have raised a pointed question: Was the Government of India cr anyone claiming to represent Indian side.... a party to the provision in the contract or deal of an alleged three per cent commission or pay-off —I will now emphasise and under, line everything that has been said— .... or did Bofors use this howitzer gun deal with India to legitimise or justify or lubricate hugs transfers to 'he Swiss bank accounts?"

Therefore, there is no gainsaying the fact that this is one of the conduits, this is one of the channels and this is one of the pipelines which they use for their own purpose. Those who know about the business of international arms sales know how this money is stashed by the arms dealers in Swiss banks. Anyway, it is easy to say. But there is one difference between us and the Press and that difference is very basic because we are accountable to the people of the country while the Press is not accountable to the people of the country at all and that is why it has been said....

SHRI PARVATHANENI UPENDRA: But they have to maintain their credibility.

SHRI MURLIDHAR CHANDRAKANT BHANDARE: Yes. But people forget. They do not have to maintain their credibility which a public figure has to main, tain all the time who has to go to the polls every five years. Therefore, what happens? There are self-interests and not only partisan interests; one can understand that. There is no objectivity; one can understand that. But all this is blown up because of a self-confessed tax-dodger, because of this self-confessed tax evader and because of the fight that one industrial house had against the other and, therefore, it is a case of self-interest. Those who believe in a bit of objectivity must see that it is only a do's and do's fight in which at least th-institutions must be kept away. You take your mileagee out of it. I am not saying that you are doing it. But don't do it in a manner which will really damage or destroy the democratic institutions. So, I will end up by saying this that a great responsibility lies on us. Let us think it over coldly; let us be innovative; and let us show that determination which is expected of a Member ot Parliament, which is expected of the position of high honour in which we are d by the people of the country. I have no doubt at all that sitting together, working together as people's representatives, as Members of Parliament, we will "be able to arrive at the truth by directing ali agencies to do what we want them to do and there will not be just preparing some files and putting up notes and saying that this was delayed by two months became of this and that was delayed for three months because of that and so on. It will also not be like this as it happens here that out of two bund red questions one question goes into the ballot and it gets the tenth position on account of which you cannot put that question and you cannot debate. But here you are able to pursue the truth ceaselessly day after day, in the Committee, for a month, for two months, for three months and get at it. Therefore, I see no reason why the truth cannot come to the surface within three months. Then your follow-up report will be there to show that these are the guilty people, that these are the people who have cheated the Government, and also to say, if that be the tmth, that this action should be taken, this prosecution, this suspension, this dismissal, should be done. All this will be contained in that report and that will be the Teport, that will be the document, which will be believed by the people of the country. Therefore, I appeal as a Member of Parliament as one who have

[Shri Murlidhar Chandrakant Bhandare]

loved all that you have been saying, though against me, to try to pursue this. It is easy to destroy, but it is difficult to construct. You will destroy this today and you will destroy that tomorrow. You will destroy the Parliamentary Committee today and you will be raising all sorts of objections and very vague questions of technicalities. But you will be missing the substance of the matter and you will lose a golden opportunity, the Members of the Opposition will lose a golden opportunity, to prove their place in the history of the country. Thank you.

THE VICE-CHAIRMAN SHRI H. HANUMANTHAPPA): Now, Mr. Alladi Aruna.

SHRI ALADI ARUNA *alias* V. ARUNACHALAM (Tamil Nadu): Mr. Vice-Chairman, Sir, in support of the Motion moved by the honourable Minister of State for Defence, I would like to say a few words.

The broadcast by the Swedish Radio on April 16 regarding the improper payment made in connection with the Bofors deal**,** no doubt, astounded Parliament Meniere and the public at large. At that time the Government of lndia strongly refuted the allegation of the Radio claiming that the allegation was false, baseless and malicious. He asserted to Parliament that there was no middleman, there was no payment of any commission. Our Prime Minister averred in Lok Sabha on April 20 by saying "Today let me categorically say that if any evidence is made available to us that any payment has been made, we will take the action of severest kind to bring that man to book." Now, the crux of the problem is around this assertion. Two questions emanate from this assertion. Firstly, has our Prime Minister refuted the allegations of Swedish Radio honestly or with an intention of hiding the fact? And secondly, does our Prime Minister stick to his assertion even now?

sir, to the best of my understanding, our Prime Minister refuted the allegations of Swedish radio with serene confidence and with great honesty. At that time, he was with lot of reasons to believe that there was no middleman, there was no payment of any commission because at the time of negotiations, it has been duly informed by Defence Ministry to the Bofors Company that there could not be any middleman. More than that, the Government of lndia has asked the Government of Sweden to see that there could not be any payment of commission to any agent in arms deal. Mr. Palme, the then Prime Minister of Sweden, assured our Prime Minister after his verification with Bofors Company that there was no middleman. Moreover, Martin Ardbo, the President of Bofors, had written a letter to our Defence Secretary saying "We hereby confirm that we do not have any representatives or agents especially employed in India for this project."

Above all, due to the direct negotiations with Bofors Company without middleman in gun deai, India has benefited by Rs. 261 crores. The price of the total package was Rs, 1,688 crores for 400 weapon systems. At the end of Match, the contract was finally awarded for an amount of Rs. 1,437 crores for 410 gun systems. The equivalent price of this package for 400 gun systems is Rs. 1,427 crores. So, in the final phase of negotiations, we are benefited by Rs. 261 crores. This is a deduction of 15 per cent on actual price because of direct negotiations.

Sir the direction of the Government and assurance from the Prime Minister of Sweden and the confirmation letter from the President of Bofors Company made our Prime Minister to refute the allegation; of the Swedish radio boldly, frankly and without any hesitation. Sir, after receiving the report of the National Audit Bureau, there is a change in the situation. There is no difference of opinion about this. The trust and faith reposed by our Government in Bofors Company have been shattered by improper action of Bofors Company. Soon after the broadcast about improper payment to middleman, our Government did not keep quiet. It took a number of steps to find out the truth. Sir, it has addressed a letter to the Bofors Company to furnish the particu-

lars wtthin a fortnight regarding the precise amount paid by the Bofors by way of commission, recipient of the amount, service rendered by the person for such payment and copy of the contract between the Bofors company and the middleman. Sir, the Bofors company in the memorandum of clarification has confessed that it has given only winding up amount. But, at the same time, it has denied that there was no bribe, there was oo commission. At the same time, it has confirmed that the company has not allowed anybody to influence the price of the contract.

Sir, the reply of the Bofors did not reveal the crucial information about the name of the recipient. When Mr. Bradin, the Vice-President of the Bofors company had come to India, he was asked by the Government of India regarding the-name of the recipient. Mr. Bradin refused to give the name of the recipient by saying that "We have commercial confidentiality of that deal. Therefore do not force us." However, the Government of India asked th$_e$ Swedish radio which is mostly responsible for the exposure of this improper payment to give the name of the recipient. But the radio has disclosed the code of various instalment, payments and the code of the account. But, at the sume time, it has refused to give the name of the recipient. But again our Government wrote a strong letter to the Government of Sweden asking to turpi h neeessary particulars regarding the improper payment to the middleman regarding the commission.

Sir, it is because of om- effort that the Swedish Government instituted a national audit bureau to inquire into the matters. We have now received authentic information that improper payment of commission has been paid to middlemen. It hats been disclosed only because of the effort made by our Government. Sir, it is not a voluntary di closure. It is because of the pressure from our Government. As the audit bureau has classi-fied some area in that report as secret, we are veiy particular to catch hold of the culprit who has received improper payment of the commission. But unfortu-nately the crucial information which we want is withheld by the Swedish Government.

Sir, at the same time I would like to mention that to the best of my understanding there are seven agencies which are possessing the relevant information regarding the name of the recipient. These are : (1) Bofors company itself, (2) the Government of Sweden, (3) the Swedish National Radio, (4) the Bank of Sweden, (5) the Swiss Bank, (6) the Audit Bureau, and (7) Win Chadha.

SHRI ATAL BIHARI VAJPAYEE What about the recipient ?

SHRI ALADI ARUNA *alias* V. JNACHALAM : Despite the request made by our Government the Swedish to ha not so far come forward to disclose the name of the recpient. Of course, it has disclosed the improper ment of the commission. *(Interrup-).* What is wrong on **the** part of the radio ?

As far as the money which is said to have been deposited ,in the Swiss banks is concerned, our Government is taking prompt steps to unaaith the economic offenders who have deposited their black-money in Swiss banks. As far as the Bank of Sweden, and the Audit Bureau concerned, they ars under, the control of the Government of Sweden. It is unfortunate that according to the law in Sweden getting payment of commission i not an offence and in a country where payment of commission is not an offence, there is no justification to classify some part in the report as secret. I am not able to understand why the Government of Sweden has classified or agreed to classify a part of that report as -ecret. May I remind that the Foreign Minister of Sweden. Mr. Stern Anderson, once had stated that everything about the Bofors transaction would be made public. On May I, he again assured that all the laundry would be washed in public, and as late as on May 2t, he reiterated that all the papers relating to Bofors deal would be made public. But contrary to his assurances the Swedish Government now keeps quiet about the names of the

[Shri Aladi Aruna *Alias* V. Arunachalam]

recipients. It is a peculiar thing. Therefore, I earnestly appeal to the hon. Minister to exercise diplomatic pressure to get the information about the recipients. Above all, the violation of the terms of the contract on the part of Bofors is more important and is serious. The honesty of this Government is questioned. This Government is facing the fire of scrutiny and it is the responsibility of the company to come forward to rescue the Government by providing information about the persons who received the commission from that company. But I would like to know whether there is a breach of contract, whether there is a violation of the terms of contract, because when we go through the statement given by the hon. Minister or we go by the rhetorics of any person from the ruling party, what they say is, it is a direction. So I would like to know specifically whether there is any clause in the contract to the effect that there could not be any middleman. I would like to know whether it is a direction at any later stage, or it is a part of the agreement, lt is because the entire case depends upon tha terms of the contract. So breach of trust or breach of contract is more important. I would like to know whether the Bofors company has acted according to the terms of contract or- whether there has been a breach on its part. I may also say that during discussions with various companies, the Defence Secretary had stated that if there is a default, if there is a violation, if there is any breach, the company will be disqualified. Now, I would like to know if there has been a breach or a violation, because there is an improper payment against your directions. I would like to know whether our Government is going to disqualify the company or not, because in the statement which you had made 03 20 April in the Lok Sabha, and subsequently in Rajya Sabha, you stated 'The various companies were unambiguously advised that decision of the Government of India would be based entirely on merit" and the Defence Secretary further stated that The Government of India would Ji qualify a firm in case it came to the notice of the Government that an agent has been appointed by the foreign firm Now, it has been proved beyond reasonable doubt that there is an agency. Of course, we arc not able to unearth the name of that agency but existence of an agency is proved. I would like to know from the hon. Minister whether he is going to disqualify the company or not, as has been clearly stated in the Lok Sabha as well as in the Rajya Sabha.

Last but not the least. The agent who is in possession of all relevant records is none other than Mr. Win Chaddha. He is the representative of the Bofors We are aware of this. The Swedish National Radio broadcast on the 16th April about the improper payments, kickbacks. Mr. Win Chaddha has escaped from lndia. He disappeared on 8th May. It is unfortunate that even though there is adequate time available to the Government, I think we have not taken any sertous steps to arrest the representative of the Bofors. Of course... .

SHRI V. GOPALSAMY (Tamil Nadu): He was sent out by the Government.

SHRI ALADI ARUNA *alias* V. ARUNACHALAM: I do not know. Of course, we have impounder his passport. The accounts have been frozen. These steps have been taken promptly. Today also, there is a report that we have sought the help of the U.S. Government to get him back. I hope, the U.S. Government will co-operate with us in this matter because it is a question of extradition. In the case of the killers of Gen. Vaidya, the U.S. Government helped us I hope. the U.S. Government will help us in th:-, matter also.

Sir, no doubt, there have been some lapses, there have been some omissions, on the part of the Government. In spite of these lapses, in spite of these omissions, I extend my support to the Government only because I do not doubt the *bona fides* of the Government; I do not suspect the hones'y and integrity of the Government. I would like to remind the House that since Independence, this is

the first Government which has decided to unearth black money, 'deposited in Swiss banks. 1 think, the process to enter into a treaty with Switzerland is in progress. Sir, this is the first Government which has decided to eliminate mid-demen in arms deas. This is the first Government since Independence which has come forward to constitute a Parliamentary Committee of this nature to probe a defence deal. Because of this unique feature, f extend my support.

In the beginning, our colleagues from the Opposition were very particular about the constitution of a Parliamentary Committee. The Government was ready to set up a Commission of Inquiry, but the Opposition was insisting on the appointment of a Parliamentary Committee. Now, when the Government has come forward to set up a Parliamentary Com-mitiee, they are trying to run away from their responsibility of taking part in the Committee. The behaviour of my friends reminds me of the story of the wolf and the lamb. The lamb was drinking water in the lower reaches and the wolf was drinking in the upper reaches. The wolf asked the lamb deliberately Why do you muddle the water. The poor lamb said How can I muddy the water when I am drinking water onli in the lower reaches?. The wolf said if you have not muddled the water, your father might have done it*. The lamb replied How can my father muddle the water when he is not here? To this, the wolf told the lamb 'If not your father, your grand-fater might have done it The lamb said My grandfather is no more'.

PROF. C. LAKSHMANNA; Who is wolf and who is lamb?

SHRI ALADI ARUNA *alias* V. ARUNACHALAM: In the same way, Sir, my friends from the Opposition are shif'ing their ground, like the wolf in the story. I would like to remind them that in the story you see the lamb, but here you see the lions. Beware of them. Thank you.

SHRI N. K P. SALVE Sir, at the outset I must express my joy and delight at the fact that my friends from the opposition, after two weeks' boycott of this Chamber have resumed their duty today. It was a very agonising experience for us to be working in this House without them. I am one of those who believe that in no country Jean a democracy be strongett without opposition. They have theft own responsibly and they have their own constructive rote to play in building up parliamentary democracies. Opposition in this House has benn playing that role all these years. We also sat in the opposition for some time and we were also privileged to play the same which it is their duty to play today. It does happen sometimes that the procedures that the Parliament may have adopted were not to their liking but I really hope that this is the first and the last time, that the opposition which has its duty in the Parliament shall attend to its duty. They must come to the Parliament and not keep away from Parliament, however hurt they may be, for whatever reasons it may be. *(Interruptions).* If you think your duty is dis-charge^ by keeping yourself out of the Chamber, well, let us agree to disagree.

Sir, coming to the Motion the action which is contemplated by the Motion, as has been stated, is indeed unparalleled in the annals of the history of the Indian Paliament. The action is not only unparalleled in my opinion, it is extremely courageous, extremely extraordinary because this action if properly worked upon and if the Committee is properly con-stitued and if it func'ions, it will decisively and conclusively clinch an extremely important issue, an issue which impinges dangerously on the probity and incorruptibility of the public life in our country. And it is from that poin' of view that I am going to address my friends in the opposition. It is not a question as to whether the ruling party succeeds or the opposition succeeds in this matter. Whatever is the outcome of this probe; I have no doubt in my mind, once it comes out, it is the country's parliamen'ry democracy which will succeed and which will he strengthened.

Various things have happened ever since the Swedish radio announced that there were certain kickbacks in respect of the 'ransaction or purchase of 155 mm

Shri Aruna Aladi *alias* V. Arunachalam]

Howitzer guns by the Indian defence Forces from A.B Bofors. Series of actions thereafter were initiated by the Government of India and the Prime Minister. They did not allow the grass to grow under their feet. Steps after steps were taken to find out who these people are, to whom these monies have been paid. In fact, the constitution of this Committee is nothing more than the manifestation of our Prime Minister, of our Government, to ensure once for all that the guilty and the corrup' are brought to book and that is the basic issue.

A little later I will refer to what the real thrust of the enquiry is and if that is the thrust of the enquiry, I think it is the duty of the opposition more than that of the ruling party to ensure that the 'ruth is found and that we are not allowed to labour under a suspicion under distrust which will vitiate the parliamentary democracy which will vitiate the public life of this country.

Sir, considerable emphasis has been laid by Shri Dipen Ghosh and I have gone through the deba'es in the other House which were somewhat acrimonious. I have nothing to say, nor am I entitled to say anything about what has happened in the other House, but I must say that Shri Dipen Ghosh has totally smashed the case of the opposition. He has no grievances that this Government is corrupt, but his grievance is that this Government is inefficient and it should go lock, stock and barrel. Well, whether it is inefficient or efficient, we will debate it, but at least he has gone to the extent that he has does not want the Government to go because the Government is dishonest. *(.Interruptions)*. It is not so Mr. Dipen. You do not know what tremendous assistance you have given us. I am expressing this opinion seriously because that is the right approach. We may agree, we may disagree as to its efficiency. I shall deal with it...

SHRI DIPEN GHOSH: Mr. Salve, have you heard the last part of my speech?

SHRI N. K. P. SALVE: I have heard the last past, I have heard the first part of your speech. I am thankful to you for your speech. Dipen Ghosh's contention has been, this and perhaps that appears to be the basic issue raised by the Opposition in which are implicit their condition f°r joining this Committee. I want to persuade them to Join this Committee, I want the Opposition to reconsider the entire matter a little more dispassionately, a little more calmly and come to grips with the real issues which are involved in this whole matter

I do want to deal with some aspects of the matter, as to the powers and the scope of the enquiry which has been entrusted to this Committee or which is proposed to be entrusted to this Joint Committee of the two Houses. So far as the scope of the enquiry is concerned, I think for the purposes of finding out the issues hat are involved, it is adequate and fairly large. It is specific and the scope of the enquiry is limited. It does not enablg the Committee to go into any roving enquiry about generalities and vague allegations as such. They will have to confine hemselves to basic issuer which arise out of the report of the National Audit Bureau of Sweden. Various important issues are arising and if you were to look at the terms of reference, the thrus' of the matter is to find, out who really were the recipients of those moneys aggregating to 32 million Swedish kronors paid into the Swish Binks and 170 and 250 million paid in respect of assistance given in India. That is the heart of thc matier. In fact it goes further and spys, to ensure if any other payments have been made of a nature which is violative of our laws.

If this is the heart of the matter, let us examine whether or of being on Committees of Parliament, Joint Select Committees of Parliament. I was the Chairman of the Privileges Committee of Lok Sabha, I have worked On the Public Accounts Com. mittee and other Committees. The Committees of Parliament have a certain weight of their own, a certain dignity of their own, a certain authority of their own. If they want to go into anything, nobody can stop them or hamper them. Never once has any Committee, in my functioning in various Committees, felt circumscribed or fettered on account of

inadequancy of power to get at the truth. One more aspect, one other aspect of the working of the various Committees is that when we work in the Committees, we rise above party predilections and affiliations. The entire Committee works as a whole, as a mini Parliament, as it were, to look into the matter and carry out duties assigned to it. In the investigative task accomplished by the PAC and several other Commitees, has ever anyone complained that their powers were inadequate? Never has that happened before. Why are you afraid of that here? It is a 30-member Committee of the two Houses. It will have all the authority and if the Committee wants to go into any aspect of the matter, it will never find itself wanting inadequate power and authority to find out the truth. This is the thrust of the matter. They will have all the au'hority In fact it is contemplated that they will have all the authority and powers to go into the matter.

Mr. Dipen Ghosh asked: will I be entitled to examine the people who constituted the committee while taking a decision for the purchase of these Howitzer guns? My answer is "yes. The first term of reference itself says, whether the procedures laid down for the acquisition of weapons and systems were adhered to in the purchase of Bofors' guns. How will you not be entitled to go into and discuss the procedures? How are you not entitled to examine those people and find out whether or not they have adhered to the procedures to the criteria, to the parameters, to the standards which have been prescribe^ for making a deal of such a magnitude. There is absolutely no basis for apprehension in the mind of anyone from the Opposition that for want of power and authority, they would not be able to probe the real issues for which the Committee is being constituted. Please do not forward that argument. It is an argument in disperation. If you do not want to join the Committee that is **a** 'different story. Whatever other arguments you might advance, please do not advance this argument that your powers are not adequate to find out what you have been entrusted to find out by the two Houses of Parliament. You have adequate facilities, you have adequate authority. The gamut is very large. In addition Government has agreed to provide to them the assistance of all the investigative agencies. The C.I..... *{Interruptions)* ------

SHRI A. G. KULKARNI (Maharashtra) : They want the CIA to help ... *{Interruptions)*

SHRI N. K. P. SALVE: Sir, what I was submitting is, Government has made available to them the best possible legal advice: they have the assistance of the Attorney-General, More than anything else, they have the best advice on accounts, I want to submit with humility to everybody in the Opposition: Please do not be worried about the numbers. You can add any number of people visiting Sweden and looking into accounts of the matter, and they will get at nothing. If you have one person who know$_s$ how to examine accounts and who knows how to look into the vouchers and knows how to reconcile the various banking entries, he is the man who is going to be helpful to you—and such a man's assistance is available to you: the Comptroller and Auditor-General. His office is at your command. Get the best of the auditors, get the best of the investigators, get the best of the legal advice. But, do take upon yourself, join us in discharging your responsibility, for, if you were to fail, then it will be the failure of Parliament

श्री राम अवधेश सिंह (बिहार) : आप सब पैनल को जोड़ दीजिये... (व्यवधान)।

SHRI DEBA PRASAD RAY: Who are you to tell? ... *{Interruptions)...* You are violating the norms of the House. ... *(Interruptions)* .. You go to your own seat first.

SHRI RAM AWADHESH SINGH: I am on my seat.

SHRI DEBA PRASAD RAY: He is changing his seat.

SHRI RAM AWADHESH SINGH: I am on my own seat. You don't know.

आप सब-पैनल को इसमें क्यों नहीं जोड़ते ? (व्यवधान)

श्री एन.के.पी. साल्वे : हम आपसे प्रार्थना कर रहे हैं कि आप का योगदान इस कमेटी में मिले।

श्री चतुरानन मिश्र (बिहार) : आपने हमको कई एक नेक सलाह दी हैं। आपके पास इन्कम टैक्स और दूसरी

श्री चतुरानन मिश्र]

सभी सुविधायें सरकार की ओर से दी गयी थीं इन्क्लूडिंग आपका कम्प्ट्रोलर और ए.जी. वगैरह, ये सभी सुविधायें आपको प्राप्त थीं तो आप इतने दिनों तक पता क्यों नहीं लगा पाये जब हम को खोजने के लिये कह रहे हैं ?

SHRI N. K. P. SALVE: Actually, I am coming to that aspect of the matter, what the steps are. At which point of tiwie did we come to know that there was this kind of payment? And the moment we came to know that there was this kind of payment—I am going to deal with you—what are the steps which we had taken? In fact, the constitution of the Committee is a culmination of the vigorous efforts and the *bona fides* of our Prime Minister that we have not been wanting to get at the thruth we want to know who are the people who have received the money. Far from wanting to hide. far from wanting to conceal the truth, far from keeping away from Parliament and the people of this country who are the beneficiaries who have despoiled this kind of money, we want to know who they are. I am pleading with you—and I am pleading with you very tervently— on hyper-technical grounds kindly do not shun your responsibilities. We all have political mileage to achieve in different spheres, in different ways. This is one issue on which I would request you not to work for political mileage, not to put on political blinkers but to come and join and find out. The nation shall ever remain indebted to you be grateful to you, if you were to help ascertain who these people are who are responsible for cheating the people of this country. About the scope, in the Amendments I find that there is a suggestion that the Committee should be allowed to enquire into a large imany deals and procedures right IJrom 1980. and also it is stated that the submarine matter should be taken here.

My very respectful submission to the Opposition will be: Please go into this matter. If you find that there is anything hanky-panky, if the leadership in the ruling party *ot* the Cabinet or the ruling party itself is in any way involved or responsible for this, you will be much more strong in demanding that a targe many things should be looked into In fact, it would be adding to the credibility of the Opposition if they were to accept this as a challenge and say that so far as this is concerne'd, already there is a clinching proof of the payment of a very dubious nature of 32 million Swedish kroner into a Swiss bank and 172 to 200 Swedish kroner in respect of assistance in India. There being a clinching proof of these payments, very little is needed to be done. If it is found that there is a remote nexus whatsoever between those who control the destiny of this country and the leadership of the ruling party, the Cabinet Members, the members of the ruling party and that kind of payment, you need not have to do anything further. The nation will taks care of all of us. *(Interruptions)* The nation will take care in the sense that it is not at your mercy and behest that we are here. We are here at *the* behest of the people. They are our masters, ft is they who are going to decide our destiny, and not the Opposition people.

SHRI DIPEN GHOSH: They have already 'decided They do not believe your statement. We want you to report to your masters. Can you go to your masters and seek a mandate?

SHRI N. K. P. SALVE: Mr. Dipen. I am coming to it. You are asking us to go for a mandate for our inefficiency, not for our corruption

SHRI DIPEN GHOSH: Let us come to brass tracks.

SHRI N. K. P. SAJ.VE: I am coming. We are not scared of elections after elections.

SHRI DIPEN GHOSH: Why do you avoid?

SHRI N. K. P SALVE: Every time there has been a challenge like this at the right time we will go and we have been going and we have gone and you have lost. And we have won with 400 Members in the other House.

Be that as it may, that is not the issue. I do not want to be aggressive because

I want to persuade you to a sensible path. T wan to work had to see that you come to tha path of rectitude which, in the other House the Opposition could not come to. *{Interruptions)*

a torrent of vilification been unleashed against the leadership of the party and. against some of us belonging to this party without there being any proof whatsoever, wihout there being any basis whatsoever as to who has received the money? You were kind enough to say that I am arguing upon an sumption that no money has been received by the Prime Minister, that no money has been by the ruling par y. You asked 'Why did you not protect the interests of the country? That is an argument I will deal with. *{Interruptions).*

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA) Mr, Nirmal Chatterjee, you are speaking subsequently So please dont interrupt.

SHRl NIRMAL CHATTERJEE: I am just helping him.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Let us not convert it info a dialogue

SHRI JASWANT SINGH: Mr. Vice-Chairman if the hon. Minister

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Why don't you go to your seat?

SHRI N. K. P. SALVE: Sir. I am not yielding Let us abide by our understanding that we will not disturb you and you will not disturb us. After all, it cannot be your prerogative alone totalk anything you feel like. Sometimes you must allow the liberty to others also.

SHRI ATAL BIHARI VAJPAYEE: Yes, yes.

SHRI N. K. P. SALVE: Atalji is a very responsible Member of Parliament. I shall wait, even if it is 7—30, to hear what he has to say on the request which we are making.

Sir, this is a kind of vilification. Some dialogue arose between Mr. Murlidhar Bhandare and Mr. Upendra about newspapers. Br. Bhandare said, So fas we are concerned, politicians and repre-.lives of the people, we have our own accountability, we have our own responsibility to our constituent, to our electorates, to our voters. Newspapers have no responsibility. Mr. Upendra they have their own credibiliy The question is. there is no nexus between the credlibility of newspapers and their sale If it was so. they would have waited till at least some evidence is avail-at [he earliest, *Even* Mr. Ram Jethmalani said that there is a reasonable doubt. When is a question on-able doubt, do you dam somebody, do you condemn somebody arid say you please step down? While we are wanting to find out who this is, you will get jown, you will step down and in the meanwhile you can have a fresh mandate and go in for a mid-term poll. What have we come to? Just because there is a mention that one of the multi-nationals has paid certain moneys to its middlemen in respect of a deal connected with India, immediately there should be a demand for a mid-term poll? Ours is not a banana republic. Sir. I want to submit democracy is much better eiitrenched here in this country and this kind of payment by themselves, this kind of allegation and this kind of campaign of vilification is not going to deter us. Here we are before the people. I want to submit what are the various actions which we have taken very graphically and very lucidly. My friend Mr. Shivraj Patil in his speech read out the various steps that we are taking one after another to get at the truth of the matter. Our anxiety to find out the truth is second to none. The anxiety of some people is to niake political mileage of it. The anxiety of some of the print media is to purely create some sensation in this country. This is hot going to help entrench our democracy. This will not help the cause of our thriving and flourishing democracy. What are the facts enumerated and the facts that have emerged from the Audit Report of the National Audit Bureau? It is found out that actually the Swedish Government and Bofors told beforc the Agreement was

[Shri N. K. P. Salve] reached that there was no middleman. It is there. I want to quote from the report of the Audit Bureau. This is the letter they have written to Mr. Bhatnagar:

> "We hereby confirm that we do not have any representative agent specially in India for this project." Mr. Artibo added however, "that A.B. Bofors engaged Anatronic Corporation for administrative services'

Is it not clearly indicative of the fact that so far as we are concerned, not only that we do not have any middleman to give, we were utterly unaware that there was somebo'dy who could be described as a middleman? In fact I am not very much enamoured of the name middleman or agent or anything. What I am really anxious about is: is there a conduit established as a result, if there are kickbacks in the high political offices? Or whether there have been people in this country or outside this country who have been looting us? That is the heart of the matter. It does not matter to me personally whether there is a middleman or there is an *agent* or some other agent. We are making purchases from 'developed countries. As it is they are going to charge one hundred per cent, I havo no doubt in my mind. Whenever we have to buy something from them we have to pay through our nose. And whenever we have to sell something to them, Shiv Shankar you would be knowing, you were in the Commerce Ministry, how niggardly is the payment they offer us. We know this. And on top of that if there are some payments through which some people are going to enrich themselves, it is at the cost of a poor country which cannot afford this kind of a thing When we are making such large purchases for defence, as it is, it is at the cost of our economic development it is at the cost of the betterment of the people. We cannot have so many schools, we cannot have so many wells, we cannot have so many pumps, we cannot provide irrigation facilities at that cost. We are purchasing these guns by depriving ourselves of the basic necessitys of life. Therefore, never mind whether there is a middleman or not or whether there is an agent or not, what is more important is: is there anyone to whom payments have been given, which means an added cost? It adds to the burden of this country so far as the -'deal is concerned.

Secondly, it was not known to the Government of India that there was a middleman. If it had been known to the Government of India that there was a middleman, would they have straightway as soon as the announcement was made on the Swedish Radio that certain payments had been made into the Swiss Bank, rushed immediately to the Swedish Government to find out despite an express clear understanding that there will be no middleman? Had there been a middleman please let us know Who went ahead with this? Not in the Opposition. Nobody else. Prime Minister and this Government took this step to find out if them were any middlemen and if there were any payments made to them. Had it been the intention of this Government to withhold the facts, I think the letter of Bofors ot 24-4-1987 was more than enough. I will quote a portion of that letter which Bofors had written. It is our Prime Minister, it is our Government which is all the while incessantly working to find out who has taken this money But in the print media, a vilification campaign is carried on that we are the people who are corrupt people. They have said, 'we want to find out the people who have taken this money and in the meanwhile you step down and in the meanwhile have a mid-term poll. What a mockery of parliamentary democracy is this? If we -were to scuttle it with our. bull-dozing majority, as has been ferfetred to by the Opposition, it was easy for us to finish the entire matter on the basis of letter of 24th April 1987 of Bofors. They had stated clearly:

> The payments referred by the Swedish Radio were made to a Swiss Company and are completely in accordance with the Swedish currency regulations and other relevant Swedish regulations. The stated payments have not been paid to any Indian company or Indian citizen and have no connection with the winning of the contract of 1986."

In the Swedish Radio the only mention was in respect of this payment and in their categorical statement they have said that this has nothing to do with an Indian or an Indian company. If only we wante'd to be dishonest in the whole matter, if only we wanted to be too cunning this is the end of the matter so far as we are concerned. If you want to go and find out, go and find out for yourself. In fact, some people have been going as the Messiah, as the Ambassador against corruption and wanting to fin'd out who has taken the payment

My very respectful submission, Sir, to the House is when these efforts are being made, continuous efforts are being made, these vigorous and streneous efforts are being made to get at the truth to find out who those people are, is it fair to insinuate that We are the people who have received the money? Then we could have clinched the issue then and there finally. What do we do as a result of this letter? We tell them we are not satisfied, we want to find out and write to the Swedish Government that kindly entrust the mat-(er to the National Audit Bureau. Those who belong to the profession of accountancy know what is the status of the National Audit Bureau in Sweden. The entire Government may collapse ten times but one word writen by this agency is utterly sacrosanct, is supreme, is accepted as the truth, the whole truth and nothing but the fruth. Why do we ask them to go into it? If we had the slightest mala-fides if we had the slightest doubts that we are likely to be involved or implicated into this matter, are we so devoid of sense that we ask no less an authority than the National Audit Bureau of Sweden to look into the whole matter? But we asked them.

[The Vice-Chairman (Shri Jagesh Desai) in the Chair.]

We asked them to look into the matter. Sir, you belong to the accountancy profession. You know the importance and implications of referring the matter. Would anyone who is even remotely guilty in a particular matter ever risk the matter being sent to the National Audit Bureau of Sweden? It is only when you are sure and absolutely certain that you want to go after the truth. Because there is one thing more I want to point out. Not many people will be knowing here. The authority of this Audit Bureau is a moral authority. There is no legal authority. It is higher than the highest authority in Sweden. I do not know when we go there how we are received—what they are willing to give us—what they are not willing to give us. But any bank, any financial institution, any officer of the Government of Sweden, any official of the Finance Ministry, they rdo not refuse to cooperate with this body. What does this body say? Ultimately they have pointed out two types of payments. One in Swiss Bank and another in respect of national service which we do not find there. We are unable to tell you But the moment we came to know about the report of the National Audit Bureau what the Prime Minister has done? Even without waiting for a second, he has sald that there will be a Parliamentary probe. The Committee consisting of Members from both Houses will go into the matter and find out who the people are and where the National Audit Bureau has failed. It is now-the task and responsibility of the Parliament to find out and do what is left, to do something which they have not been able to do. This is the task which is entrusted to this Committee. It is the sacred duty of any one who has the commitment towards incorruptibility and probity in public life of the country *to* join hands and to do his best to find out who these guilty people are and to see that they are punished. And therefore, with folded hands I plead with the Opposition to kindly look at the matter not only from the very limited, narrow political angle, but in the larger interests of the country and in the meanwhile, please do not be a party to those who want to destabilise. I am not talking of the larger destablisation of the C.I.A. band or any hand. I am only requesting. With this kind of irresponsibilities, democracies in the world have come to grief if the people had acted impetuously, if they have not shown the strength and if they have not shown certain judicious wisdom in their judgment. If they have acted ugly haste, they have lost parliamentary democracy and that losing is only a one-way traffic. You only lose,

[Shri N. K. P. Salve]

you do not get back. There is absolutely no justification and there is no warrant a feeling that this Government is, in any manner whatsoever interested in thwarting the enquiry. As such the Governmen has gone all out, as much as it could to make sure that the culprits are brought to book. But in the meanwhile, this enquiry is going on. I would urge the print media to kindly hold on, kindly wait. Please do not aid and assis: the destabilisation process. Some one makes a payment in a foreign country and you ask for a mid-term poll. Please do not make such a mockery of our democracy. Our democracy has withstood several storms, several trials and tribulations and every time we have emerged more powerful. I have no doub' in my mind that with the cooperation of the Opposition and the successful functioning of this Committee, India's parliamentary democracy will he furthe,- entrenched and it shall thrive and flourish. With these words, I wholeheartedly support the Motion. Thank you very much

SHRI P. BABUL REDDY (Andhra Pradesh): Sir, I thank you for the opportunity given to me. Sir it cannot be denied that we are facing a very peculiar situa. tion in the country today. It is not denied by any section that we are proposing to set up a joint, unprecedented Committee, Sir. it is my appeal to one and all that this is a problem which we should consider calmly without injecting emotions and temporary gains. Sir. it was only yesterday that our young Prime Minister inaugurated a year-long celebration of the completion of forty years of independence. Never before in the annals of this country, in Free India the Central Government was caught in a whirl wind of scandals. Which are proved and which are not proved is a matter finally to he enquired into and the facts are to he found. The biggest of these scandals is the Bofors Company Gun Deal. The matter has come to light, thanks to the announcement of National Radio, Sweden on 16th April, 1987. It shocked the entire nation to know that the Bofors Company has paid kickbacks to some people in this Bofore Gun Deal in a contract with India. Certainly the hon. Members on the other side cannot accuse that the hands of the Opposition parties are behind that announcement of Swedish Radio. Now. it is ironical that this ignoble Bofors Company is a subsidiary of Nobel * Industries, Sweden. Whoever is guilty. it cannot also be denied that this game is played by two teams. One is the Nobel Industries' subsidiary, Bofors, on one and the Central Government team headed by Mr. Clean, on the other. Who is guilty or who is not guilty is not my purpose now. There is a great duty cast on the Centtal Government to clear the doubts. Some Members may dispute but this is my humble opinion that today in the country people are divided only into two categories—by people I mean people who can apply their mind; not the illiterate and the ignorant who do not know anything or children. One group consists of nearal 90 to 95 per cent of the people—you have to take the situation as it is—who believe that kickbacks were paid and kickbacks reached some persons in power. The reasons is that it has been in the air for that such things are going on but only there was no proof. Atoms of proof and there are sufficient in the circumsi in which people are placed to believe such things do happen. Then the category of 5 per cent people. T can say, they also believe in their hearts to of heart but they dare not say it outside, that such kickbacks have passed on in this deal in this situation if the Government is]y committed to prove its innocene, if must set up a committee which would inspire confidence. I may tell you a: the outset that we are not for boycotting this Joint Committee. We are also anxioas to know where the truth is. My suggestion whatever T give during my short speech, must be taken in the right spirit. I am anxious as many of you are anxious to know the truth. If thie committee has to serve it's purpose, we have to first discuss its terms of reference and its composition. Here T may alo tell you. the thicker the

clods are about the integrity of the Gov ernment, the more matching must be the action of the Government in cos-tituting the committee and in framing lts terms of reference. I may humbly recall to your mind an example. Soon after Shri Ramakrishna Hegde became the Chief Minister of Karnataka, Shri Bangarappa. the

Leader of the Opposition, made an allegation that his cousin was having a hand in smuggling of rice to the neighbouring States of Maharashtra and Goa. Shri Ramanna Hedge on the next day formed a committee, a House Committee, in which aid no Janata Party man should be there, all other parties should be represented and the Congress person should be the Chairman of it, let them go into it and if they find 1 am guilty, I will lay down my office. I am not saying this because he belongs to my party. I am only quoting it as an example. Mr. Rajiv Gandhi as Prime Minister is caught now, right or wrong, in a worse situation than that, and if these clouds have to be cleared he must constitute the committee in such a way that would inspire confidence; other-wise, supposing tomorrow the Opposition people boycot it and you have 30 Congress members, it won't be a Joint Committee, it would be a Congress committee to clear the Prime Minister. So here once again I want to appeal to the Prime Minister, though he is not here. He is now famous as Prime Minister of Accords—Punjab Accord, Assam Accord, Mizoram Accord, Sri Lanka Accord and so on. Why not have an accord on his simple issue with the Opposition in the constitution of this and have another accord to clear yourself", I not for anything else. There is a mislead-' ing statement, if I may say so, in the honourable Minister's speech that the Opposition is wanting to go into all contracts that have been entered into by the Defence Department since the year 1980. Sir, we have neither wanted it nor do we have the patience to go into all those contracts. What we said was this; Mr. Arun Singh, immediately after the Swedish National Radio broadcast, came out with a statement—as a tribute to Madam Gandhi he said that and he disclosed it—that from 1980 onwards strict policies, procedures and parameters had been laid down in the matter of Defen. ce deals prohibiting pay-offs. It is that which we have quoted and said that 'we wanted to know what those policies are from 1980 and whether they were followed in this instance and not all the contracts from 1980 running into thousands of crores of rupees with all the other countries. We never wanted it nor do we have the patience to go through all those contracts. Herp also I say that the nature of the work which this Joint Committee has to do is somewhat akin, if not exactly identical, to the work sf the Publi Accounts Committee. You are not running any risk in making by tradition, an Opposition member as the Chairman of the Public Accounts Committee. Here we are not even insisttiiu that the Chairman should be from the Opposition. We are not fighting even on the composition f would also say that the submarine deal also need not be gone into and another committee can be set up, if necessary, in my humble opinion; I am speak, ing for myself. But so far as this deal is concerned, the terms of reference must not restrict the scope of the inquiry and the question whether the policies, procedures and parameters laid down in 1980 with a view to having purity in these transactions have been followed or not in this deal with the Bofois should be gone into. Then this Committee must have an unrestricted po-wer to call for evidence. Why not? This is unprecedented. Suppose in the course of the evidence it comes out that some Minis ter had a hand in it and that some people from the Bofors also say something. Then should we not call the Minister? Then what for is this Committee being set up? Whether he is a Minister or not does not make tiny difference. If he has played any part and if the Committee comes to the conclusion that it is necessary to call the Minister as a witness, why should there be the Speaker's permission for this? This is a Parliamentary Committee which represents both the Houses and the Speaker is not above it and the ruling of the Speaker can be overruled by Parliament and the Speaker is not above Parliament. He has his -discretion, no doubt, but not against the whole will of Parliament. Sir, you will have a minimum of twenty persons in that Committee, twenty people of the Congress (I). Can you not believe them to act fairly? Do they act irresponsibly? Suppose after elaborate discussions the Committee takes a decision to call a Minister and give an opportunity to him to appear before the Committee. In that case, there is no point in restricting the powers of the Committee to call a Minister. You must believe your own Committee . Sir it is in this spirit that I am

[Shri P. Babul Reddy]

hensive. You have two or three major items and minor things can be ignored by both the sides. On the major things, that is. on the scope of the Committee, on the terms of reference and also on the powers of the Committee, there should be an accord between the Opposition and the Government and the matters should not be allowed to be led to that comer where it would fail and, in which case, ultimately, the Joint Committee will prove to be only a Congress (I) Committee. That should not be there. Here I may also say a few words more. Immediately after the Swedish National Radio broadcast on the 16th April, a statement was made on behalf of the Government—and the Prime Minister also said—that the allegations were baseless, mischievous, false and were a tissue of lies. This is the 'stand taken. Afterwards, when the Audit Bureau Report came, it was clear beyond any doubt that a sum of Rs, 50 crores had passed hands which is not a small sum for a poor country like ours. But, when the Audit Bureau Report came, it was found that what was written in black ink was erased with white ink; I may tell you that there also there is a suspicion that it was at the instance of the Government of India that this white ink was liberally used. That suspicion has also to be removed. If the terms of reference are only to find out who these three persons are, then there is no point. Is it such an unprecedented Joint Committee whose only job is to find out these three names? Will the purpose be served? If the Government of India cannot persuade the Swedish Gov. ernment. the National Audit Bureau and the Bofors Company who are the manufacturers, is it likely that this committee consisting of 30 Members will be able to get that information? Out of the total kickback of 50 crores of rupees, these three persons will account for only 5 crores. The inquiry cannot be confined to 5 crores leaving 45 crores aside. So, if the Parliamentary Committee is to be effective, then its terms must be widened and its powers must be widened. All the agencies must cooperate with the committee. The Government of India must take a firm stand with the Swedish Government that they should not withhold any names. The Government of India hat taken the credit that it is at their instance that the audit report was made. If this is so, then having made a report at our instance, how can they withhold a portion of it? You-should take up that issue. All the sections are prepared to arm the Government with a unanimous resolution of both the House of Parliament, if necessary. That is the spirit in the House today. Take advantage of that and get the names. There is no use in saying that neither myself nor any member of my family has received any consideration. That is not the consideration. The Prime Minister must go a step further and say that nobody with my knowledge, much less with my approval, has received any share of this kickback. That is the crux of the matter. Sir, with these few observations, I thank you once again for giving me this opportunity.

SHRI ANAND SHARMA (Himachal Pradesh): Mr. Vice-Chairman, Sir, I rise here to support tha motion moved by the Minister of State for Defence for setting up a Joint Committee of Parliament. This is one such subject, one issue, which has generated so much of heat and controversy that the nation's attention has been completely distracted from all other serious challenges, all other major issues which this nation is facing. We have also seen that all important issues have taken a back seat. These issues have been ferred to by my esteemed colleagues and the earlier speakers. I am not here to suggest that this is an issue which should not have been debated. In fact, we were more keen to discuss this matter. But this issue should not have become an instrument of slander, an instrument of casting aspersion on the moral authority of the Government, an issug to malign the leadership, an issue to demoralise the nation. It should not have been made an issue to demoralise the Armed Forces. I would not like to go into the details of what has been said. Sir, We have to purchase arms for our defence system. It was the duty of the nation and the duty of the Gov ernment to provide that system. The Government fulfilled its duty. We find that after about a year the Swedish radio makes some allegations, some vague allegations initially, about some commission. Our friends in the opposition have qn-

estioned the inmai reaction of the Government. They have been even tried to ridicule the denial of the Government. After these charges came they have accused the Government of dragging its feet. But let us in retrospect once again discuss what the Government did. I can very well understand the initial denial because it was our Government, this Government, and the Prime Minister which had taken every possible step and precaution. As a matter of fact it was a policy decision, at the personal intervention off the Prime Minister as far as his discussions with the late Swedish Prime Minister were concerned, to keep this particular contract or deal free from middlemen. When we talk of agents, we must remember tht prior to this policy of the Government everywhere in the world the arms manufacturers functioned through their representatives or agents. But we were keen to ensure that they ere excluded -md that is why the initial reaction of the Governmen! was one of denial, of shock, of disbelief and they have tried to question that denial. It is very unfor-tunue. We started this session or Parliament with a privilege motion against the Pruiie Minister saying that there was some wong information given. But, Sir, if I remember correctly, the Government was prompt in its action. The Govern-men after receiving this information im-i medhtely approached both the Swedish radio and the Swedish Government for details. Was it dragging their feet? We requested the Swedish Government to give us the details. If was this Government which persuaded the Swedish Gov-ernment to institute an inquiry by the National Audit Bureau. This only proves that the Government was keen to unearth the truth. The Government was not interested in hiding anything or shielding anything. The Prime Minister had made categorical statement in the last session that if anybody is found guilty, whosoever the person will be, none shall be spared ' by the Government. This was the statement of the Prime Minister and that statement had been distorted. The Prime Minister's statement does not exclude the

possibility of any mischief. It did not exclude that possibility of a violation. But he only stated that we shall try to find an dhe requested the Opposition, he requested the media, if anybody had any information to give it to the Government. But there was no material evidence. Nobody was prepared tocome forward and give any specific details. Even the attitude of the Swedish radio was mystifying. They kept on claiming, we have the names, we have the details. But they never gave the names. They never gave the details. And it was at this stage that the Government's actions, it pressure, its persuasion yielded results. The Swedish Government asked the Audit Bureau to conduct this inquiry and the Audit Bureau report provides the basis for a Parliamentary Committee to be set up, the Motion which we are discussing earlier, Sir.

SHRI RAM AWADHESH SINGH Sir, on a point of information. .

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please be seated. No, no.

SHRI ANAND SHARMA; Sir, I am not yielding.

SHRI RAM AWADHESH SINGH: Sir, he says that they did not get the information. But they hnd said that they were .eady to provide the information the Indian Government did not ask for it.

IIIVRAJ PATIL; Sir, the hon. Member has made a statement and he says that the Company was ready to give the information but the Government did that information. Tnis is not correct.

SHRl RAM AWADHESH SINGH: It has appeared in the newspaper, and I can quote it... . *(Interruptions).*

SHRl ANAND SHARMA; Sir, as was mentioning, when the Opposition was demanding setting up of a Joint Committee in the last session, there was no case. In the absence of any material evidence, in the absence of any specific details, no such decision could have been taken and a Parliamentary Committee, an investiga-

[Shri Arnmd Sharma]

tive committee cannot be instituted in a vacuum. And it was the opposition which was demanding it. I would like to remind my friends, they were crying hoarse inside Parliament and Outside that the Government is running away from setting up this Committee. There were no details discussed and they just wanted a Committee of Parliament. After the report was received, we have to analyse the actions of the Government. At the first available opportunity, the Government placed the report before the nation. I think 4th of Iune was the date when the report was received in lndia. And on the 4th June itself, it was placed before the nation. It was made public. Of course, as the Minister has stated and as we all know, certain portions of the report were excised, were deleted, not by our Government but by the Swedish Government on the commercial confidentiality plea of Bofors. That is their law, and that is What had upset all of us, not only the friends on the other side but all ,of us. The Government called a meeting of the leaders o)f Opposition, discussed the report with them and on that very day the Government declared its decision, its intention, to set up a Joint Committee of Parliament that very day. These are the actions. The report is received; it is placed before the nation; it is discussed with leaders of Opposition and decision to appoint the Committee is announced.

SHRI RAM AWADHESH SlNGH It is a consored report. ... *(Interruptions).*

SHRI GHULAM RASOOL MATTO Jammu and Kashmir). We had made an understanding today—both ruling party and the Opposition—that there will be no interruptions. I want to remind Ram Awadheh Singhji that 'he was not here then. So he should not interrupt it let it go smooth. There are points which ruling party can make; there are points which friends this side can make.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); Now he will not interrupt.

SHRl ANAND SHARMA; I have also to express my anguish over the interruptions because we do have the patience to hear others, and they are the people who are not interested in finding the truth, and learning something or giving an opportunity to the people of this nation to get at the truth.

Sir, not only this. The Government pursued it further. The Minister of Parliamentary Affairs, as we all know, wrote to the Speaker of Lok Sabha and chairman of Rajya Sabha regrding this Joint Com-.mittee. The Government wrote to the Swedish Government, pressing them again to release the excised portions, the deleted portions so that this cloud of suspicion, the clouds created, may be blown and truth could come out. The Government wrote to Bofors management. I need not read out the details. The Government asked specific pressing questions, asking them details and the identity of the persons who received the money, and for what.

Now, how do we get at the truth? When the Government has announced its decision to set up this Committee, what we :ess, Sir, is the dilatory tactics, and attempts to dramatise and create sensation. What kind of scenes we have been witnessing? I am a young Member. But permit me to say that the attitude of our friends on the other side has dealt a body blow to the system. This is setting a very dangerous precedent, The manner in which insinuations have been made, accusations backed by lies, to create misgivings in the minds of the people, to distract the nation's attention from those crucial issues which are vital to the nation's security and integrity. Nothing else is important. Nothing else matters. What is happening in our neighbourhood? What is happening in our Own country? These things are not at all important to them. The sole objective of the friends on the other side is, how to get some political mileage, how to get some publicity, how to rnalign the leide ship. At whose cost? At the cost of the nation. At whose cost? We could not discuss this matter for the last two weeks. It is people's money. They contribute to the exchequer. *(Interruptions)*-

sir 1 will urge my friends on the other side that if they are really interested in ascertaining the truth. let them participate in the Committee. The decision to boycott to keep the issue alive for political purposes. There is no other rea-son. There is no other logic. It appears political motives and haired have blinded the opposition mernbers to such an extent that they have lost the sense Of propriety and reason both.

Now, what about the terms of reference of the Committee? The original terms of ieference were amended at the behest of the friends in the Opposition in the Lok Sabha itself. It is this amended Motion which we are discussing today. Most of the logical demands, reasonable demands, have been met. I would like to mention them here. They demanded that the size of the Committee should be increased. This was accepted. Another demand was that the Committee must get the assistance from the various agencies of the Gov ernment 0:'f India, namely, the Auditor-General, the Attorney-General, jnvestiga-tina iike the CBl. Government has accep ed that. They said that the Committee should have powers, if necessary, to go out of India, to go to Sweden. This has been accepted. But they 'have not been satisfied with all these things. Of course, I am grateful to one of the Members on the other side who clarified that they do not want the Chairmanship of the Committee . But the amendments which have been circulated indicate that they want the Chairmanship of the Committee. Some friends from the other side have said this in so many words. They want the Chairmanship. They want to summon Ministers. they want the requirements of the Official Secrets Act to be waived. This is fraught with grave consequences. Waiver of the requirements of the Official Secrets Act. For what purpose? You only have to get the detail from the Bofors management. Government is keen to ascertain the truth. Government has provided the committee assistance of its investigating agencies and such other agencies at its disposal. But the Government cannot allow a situation—this is what we have seen during the last four-five months—where the nation's defence secrets are discussed in the streets. Some of our friends are more concerned with what we are doing than with what our enemies are doing. Sir, as far as I am concerned, I personally feel-here, I agree with the esteemed frierids of my party who have spoken earlier—truth can be ascertained if the Opposition is genuinely interested and the terms of reference, as amended, are adequate. But there are one or two points which 1 want to make. *(TimeBell rings)* I will just conclude but these are very relevant points. Certain speculation-have come in during this discussion, not only during this debate but during the last few months. There have been wild speculations. People have started questioning the efficacy of this -weapon itself. This is very relevant. They have started talking that well, the barrels have burst. The range differs from party to party from 5 km. to 25 km. Some say it is 5 km. some say it is 10,15, 20 and some say it is 25 km. But, Sir, as far as I know, this system happens to be the one of the best system as per the Janes Weapon System, which is an authority on arms. Why is everybody becoming a defence expert? Leave it to the army, they know it better. They have decided they wanted it and they are satisfied. Why are you becoming experts? What is the motive? I am coming to the motive. Of course, it is well known that this particular weapon system had an advantage over the other comneti-] tors' weapons, particularly, the French guns and the Austrian guns because of the high rate of five, but, Sir, some of the friends are even asking for revocation or cancellation of the contract itself. This is a very dangerous demand because it took us 8 long years to acquire this weapon system, it is something which this nation and the army needed. They have asked for a roving enquiry to enquire into at' the defence deals from 1980 onwarde

SHRI K. MOHANAN: Not in all defence deals.

SHRI ANAND SHARMA; A roving I enquiry could be disastrous because it will

[Shri Anand Sharma] bring the administration and the machinery to a standstill. It will bring the functioning of the Defence Ministry to a standstill, to a griding halt. And same of our friends have gone outside India. They are not interested to join this Committee, but they have gone abroad, gone to Sweden, to Stockholm. They have gone to Geneva to find out the truth, to give authenticity to the doctered information received earlier. So, we all know how the stories are planted. The stories about the efficacy could be planted by the rival arms manufacturers who have lost the contract and some friends go by that information. They have gone to find out what has happened there. Some leaders of the opposition—I would not to name because they are not present here— they have spent weeks and weeks in Sweden, in Geneva and they have inserted full page advertisements in the national dailies there. How expensive it i? Who paid for it, who paid for their stay, for hiring groups of lawyers, for inserting advertisements in the newspapers And my charge is with all res-ponsibitity that in one or two cases it is national organisation and a rival arms manufacturer who have paid for trips. *{Interruptions).* And they behave as puritans, as Messiahs, they are tioning the moral authority of this Government of the Prime Minister. This is most distressing. 1 cannot but express my roguish over this attitude and this behaviour.

SHRI K. MOHANAN; Mr. Sharma, you want to get the avidence from the sky.

THE VICE-CHAIRMAN (SURI JAGESH DESAI): Mr. Mohanan, you will get an opportunity to speak tomorrow. *{Interruptions).*

SHRI ANAND SHARMA; I seek your protection and your indulgence, Sir because quite a bit of my time, as everybody knows, has been taken by these interruptions As I was saying, the insinuations which have been there are mischievous. There are certain friends who said why the Prime Minister had to make that statement in the other House. Mr. Dipea Ghosh started with these remarks. Some friends said, it was a sad day for the country. Yes, it was a sad day. Political opportunism "and quest for power have made some of our friends stoop so low that they have created a situation where this nation is discussing only this and the Prime Minister, as a human being, as a leader of this nation, had felt hurt by these insinuations. Sir, We all know under what tragic circumstances, Shri Rajiv Gandhi was entrusted with this responsibility. With great vision and dynanism, he has led this country. He has enhanced the prestige of India. We are also aware that there are certain forces which are out to weaken this country, to destabilise this country and to harm the Prime Minister's person. They are forces which have been trying for physical assassination. And there are forces which are tryng for political assassination. We all know who they are. *{Interruptions)* It was discussed the other day in the House. A document, a letter written in December by the former CIA Director to the Haritage Foundation was mentioned saying that there will be a fusilode of charges against the Prime Minister and then the Opposition should the opportunity Sir, we all know and I can say that even the friends on r side also know it in their hearts Prime Minister is living every minnte for this country. He is serving this country. Why was that attack made in sir Lanka? Why these attacks on Because he is fighting for this this

Sir. T would not like to say further on this subject. But we know how his personal security has been endangered. I consider it my duty to put this on record becaus? these insinuations, this pack of malicious lies, this slanderous campaign has hurt the nation. I will once again urge our friends on the other side, if you do not want to politicise this, if you are not playing to the gallery, if you are not willingly and consciously walking into the trap of those who want to weaken this country, then please consider the morale of the armed forces, please consider the morale of the nation. It is as important

for you as it is for us. Let us get together, let us work on this Committee and try to ascertain the truth, so that the eJouds of suspicion are blown away. I JIB confident, Sir, that some people are not interested because they know that they will lose their only political manifesto argument if the truth comes out.

With these words, I once again support the Motion. Thank you.

SHRI PARVATHANENI UPENDRA; Mr. Vice-Chairman, Sir, it is nearly four month since the Swedish Radio exploded the news about this Bofors affair. And during these four months, the nation has bsen fed with untruths, nothing but untruths. The country and its people are being taken for' a ride. You can understand an innocent man. You can deal with a crook. But it is very difficult to tackle a crook parading as an innocent man.

And that is what is happening. Today we are discussing about a Parliamentary Committee to discover something. My charge is, people on that side know the truth, they are concealing the truth, suppressing the truth. That is our charge. And whom are they kidding? Unfortunately—I do not know wittingly or unwittingly—the Prime Minister heading this Government has dragged himself into this controversy. When the Fairfax Issue came up, Mr. Brahm Dutt and others dealt with it; when the submarine deal came up, somebody else dealt with it. But, from the beginning, the Prime Minister involved himself in this matter 'and dragged himself into this controvers. Therefore, he has to hear unpleasant things, to which Mr. Anand Sharma has Just now taken exception.

Sir, On April 16th, when the Swedish Radio announced this, what was the reaction of the Government? Any responsible Government, any responsible Prim© Minister when they hear such news, the obvious reaction should be—"All right, we will inquire into this, find out what has happened" because there was no charge against any particular individual to deny. But what was the reaction? The Government comes out with a press, note. "The 886 RS—11 news item is false, baseless and mischievous." Then they said what the Government had done, and it adds:

> "The report is one more link, in the chain of denigration and destabilization of our political system. Government and the people are determined to defeat this sinister design with all their might,

They had already come to a conclusion; "It was a design!" Within a few hours! Not only that. The Prime Minister, Mr. Rajiv Gandhi, presided over a meeting of the Political Affairs Committee in a few hours and the Political Affairs Committee came to the conclusion that it was a "sinister design". It was followed by a full meeting of the Council of Ministers on the 17th—the same day the new tame— and all the Ministers and the Political Affairs Committee, endorsed this statement What was the basis? They don't go through any files; there were no statements, there were no records to base their judgment. It Was the version of one individual which prevailed and that individual's version was endorsed by the Political Affairs Committee and the Council of Ministers. What was the hurry? That is exactly what I am questioning. Why this nervousness and panicky reaction from the beginning and why the Government itself has become guilty conscious from the beginning? There was' no need to jump to conclusions. They could have said, "All right, we will inquire They did not do that. I will give instances, one by one, where the Government itself felt guilty conscious and digged itself into controversy.

Then there was a debate in Parliament And what did Mr. Arun Singh—I dont want to embarrass him much—say:

> "In order to make this position somewhat easiest for everybody, let me tell you what We have actually done so far. That will make the position clear. In our cpinion, as Government we have received a commitment both from the company and from the Swedish Government that nothing has been paid. What we have done is, we have asked the Swedish Government whether they believed that there was a commitment,

SHRI PARVATHANENI UPENDRA: and the Swedish Government confirmed that in their belief there was a commitment."

I don't want to quote what else he said on that day—a positive statement contradicting everything, that everything is false.

Then, Sir, the Prime Minister made a statement on the 28th April. On the 27th he spoke to the Army Commanders. Before that something happened. On the 24th Bofors wrote a letter, which they handed over to our Ambassador, and what did they say in that letter?

"The statement made by AB Bofors that no middlemanjrepresentive|agent was used Bofors to represent the company with the Indian authority to win the contract in 1986 was correct. Contract negotiations and other contacts took place directly between the Ministry of Defence and Bofors. Consequently, no middlemen were used to win the contract of 1986."

And in the same letter, Bofors also said that they did make payments to a Swiss company and that these were in accordance with the contract for the reimbursement of consultative services within .he areas of marketing and counter-purchasing.

5 P.M.

But, inspite of that, the Prime Minister, four days after the receipt of the letter from the Bofors, says; "What I told the army commanders was that I had spoken to the Swedish Prime Minister, Mr. Olof Palme, and this we have already sta.sd in the House, and I have clarified that I had spoken to Mr. Olof Palme. He had then confirmed back to me that there would be no middle men, and this fact has been confirmed to us recently by the Swedish Government." He also says: "I would like to reconfirm that the Swedish Government has told us recently, about a week or ten days ago before the debate in the House that there were no middle men as confirmed by Mr. Olof Palme to me and that Bofors has reconfirmed this to them." He also told the Army Commanders that there were no payments made into Swiss bank accounts. It was a deliberate untruth, and the facts were with him. The letter of Bofors was there on that date with him. But, in spite of that, he misled the House deliberately on the 28th of April.

Then, we tabled a privilege motion on that. But the Chairman, in his wisdom, disallowed the motion also. We raised two questions: One was whether mr. Olom Palme confirmed to the Prime Minis ter that there were no middle men. flier; was the second statement that no payments were made into the Swiss banks. On the second point, I was insisting with the Chairmtn that the Prime Minister delibe rately misled this House because no confirmation had come from any Swedish authority...
{Interruptions).

THE VICE-CHAIRMAN (SHRI IAGESH DESAI): The Minister will take care of at the time of reply.

SHRI PARVATHANENI UPENDRA: What are you objecting to? *(Interruptions)*

SHRI SHIVRAJ PATIL: The issue has been already closed.

SHRI PARVATHANENI UPENDRA: He deliberately misled this House in regard to the existence of the middle men.

SOME HON. MEMBERS: No.

SHRI PARVATHANENI UPENDRA: It is atual statement. I am not making any unparliamentary remark. They cannot object to that. I have every right to say that.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); Though the word -de-liberate" is not unparliamentary, I think it is better to avoid it. We want to keep the debate as calm as possible. If you can avoid, it is far better.

SHRI V. GOPALSAMY: Mr. Anand Sharma was talking about assassination, political assassination and so many other things.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); I have requested him.

if possible, to avoid it. That is what I warned. Please go ahead.

SHRI RAM AWADHESH SINGH; This is the cenire of the debate.

SHRI PARVATHANENI UPENDRA; I will keep my remarks exactly according to parliamenlary traditions. I will not use any bud words.

SHRI SHIVRAJ PATIL: If he yields, the matter was brought before this House, it was considered by the presiding officer and *the* presiding officer came to the conclusion that there was no deliberate misleading of the House. Once that kind of ruling is given, it is possible for anyone to repeat the charge?

£ SHRI RAM AWADHESH SINGH; It confirms his statement.

PROF. C. LAKSHMANNA: Is there ary ruling given by the Chairman regarding this?

SHRI PARVATHANENI UPENDRA: I beg the House t° recollect that when the Chairman gave his ruling, I pointed out that his ruling related to only one portion about the Prime Minister's talks with Mr. Olof Palme. I said that I had raised the second question about the Prime Minister's statement to the Army Com-that no payments were made the Swiss Banks. On that the Cliair-5!fcan said "You can give a separate notice." We have given a separate notice in this Session on the same point. This is under the consideration of the Chairman.

Mr. V·ce-Chairman, despite all the statements made by the Prime Minister and the. Minister of State for Defence, the Audit Report of the Swedish National Audit Bureau, of June 1, forwarded on Juris 4 has completely nailed all these lies and untruths which the Government has been indulging all along. The first Point that nothing has been paid into Swiss bank counts has been disproved because he epnr' itself mentions, two payments Save been made. One is 32.2 million Kronor paid to the Lotus Tnc. It is a comnany incorporated in Lugano. The payment has been made through the Swedish central Bank. Skandinaviska Enskilda Banken. The second payment of 170 to 250 milion Swedish Kronor, accor ding to reports which we got was made to 9 company named Svenaka Incorporated through one Mr. Labout. I do not know who is Mr. Labout. It was paid - to this company's accounts in the Swiss Banking Corporation and the Hanover Manufacturer Bank. These two pay ments were confirmed.

SHRI K.C. PANT: Where are you reading from?

SHRI PARVATHANENI UPENDRA: I am not yielding. You can reply]ate.

SHRI K. C. PANT: I would like to know from where are you reading.

SHRI PARVATHANENI UPENDRA: You should know that.

SHRI K. C. PANT; It is not inthe Audit Bureau Report.

SHRI PARVATHANENI UPENDRA: You can contradict it. Wherever i want .....

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): He wants to know so that he can look into it

SHRI PARVATHANENI UPENDRA: Wherever I quote. I will give reference, You can take it as a reference. Wherever I do not aive you a reference, mind you I am giving it with full authority and am fully responsible for it.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); But for the purpose of verification and for his reply, there should be some material with the Minister so that he can look into it and reply on that point.

SHRI PARVATHANENI UPENDRA: I have told him already.

Then "There was no middleman," that was 'another claim which has already been proved false by the Audit Bureau itself.

Third, the Prime Minister himself said at one point—this is on 28th April again-"We have Government of Sweden saying

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that they were assured that no middlemen were being involved. We have Bofors saying that no middleman has been involved. And they cancelled the contract of that chap who they had out here." That was the Prime Minister's statement which has also been proved wrong by tha subsequent events, because the previous agent, Win Chadha, has filed a suit in the court here telling that his contract had started in January 1986 and is valid up up to December 31, 1990. This was known to the Government. That is *my* charge. Therefore, that also proved incorrect. That means all the three claims of the Government that there was no middleman, there was no middleman at the time of me contract and that no amounts were transferred to the Swiss Bank accounts have been proved false. I charge the Government with deliberately telling false things to th's august House.

Then the Government today also s'aid-I do not now why they defend this coon-pany and I his chap—in its statement at Page 3:

> It appeared that the major portion of this payment related to the wind'ng up of earlier arangem-ents which Bofors had in relation to their overall marketing effort."

This is the justification given by the Government for the payment of 170 to 250 million kronor.

THE VICE CHAIRMAN SHRI JAGESH DESAI): It is not jutification, but it is a fact.

SHRI PARVATHANENI UPENDRA: Yes, it is a fact they want to mention. I to know if there are winding up charges or something else? Why the question of percentage has been linked with this two to three per cent of the total contract? The Audit Bureau has arrived at this figure of 170 to 250 million on the basis of the total value of the contract. If the payment to the middlemen was not linked to the contract why the question of percentage comes? Unless 2-3 per cent is linked to the contract, it has no meaning. They arrived at this figure only on this basis.

Then again the Government is tell untruth when the Government justifying payment for other services, which is not tenable

Then the hon. Minister said in the other House:

> "The Swedish Government was ad-dre sed on June 17, 1987, to urgently furnish complete information in legard to the excised portion of the Report of the Swedish National Audit Bureau."

They wrote to the Bofors again on 16th July.

You received the Report on June 4. There is so much agitation in the country. The people are exercised over that. After 12 or 13 days you write to urgently furnish this information. What happened to your Embassies? What happened to your Ambassadors? What happened to your telexes and cable--? Why you are taking this matter so lightly? Because the Prime Minister was meeting the Opposition leaders on the 17th June they wanted to keep the record straight so that they could ten the Opposition leaders that we have written to them. In fact, it happened, like that when we laised this question in 1he meeting with Prime Minister they said, Yes. we have already written to them." When? "Yesterday on the 16th." And on the 17th they have written to Swedish Go/3rn-mem when the meeting took place. This is the urgency this Government is showing in this matter to unearth facts.

There was a clamour in the country and we had only one trump card, to make the Bofors supply the information, that is the threat of a cancellation of the contract. And what does the Prime Minister say on June 14th in the newspapers. It says. The Prime Minister. Mr. Rajiv Gandhi Iras ruled out termination of Rs. 1700 crores Bofors' gun deal When we asked the Prime Minister in the meeting with the Opposition leaders, he said, "I had to give that statement to keep up the morale of the Armed Forces." That means you are

indirectly assuring the Bofors don't tell the lruth your contract will be safe." charge the Government that you are indirectly assuring them; even if you don't tell the truth 1 will stand by this con-:. Otherwise what was the provo->a to give that statement? If you it to keep up the morale of the Armed Forces, you could have told them, "all right, guns are coming, don't worry." You could have told the Commanders, you could have told the Jawans. You need not have given a public statement. The highest in the land, the highest in the Government need cot have given a public statement that the Bofors contract will not be cancelled. Is this the way Government is functoning? Is this the efficiency of this Government? Is this the way to bring out the truth? It clearly indicates the guilty conscience and clear attempts to suppress the truth and conceal the truth.

More surprising thing is, the report says Mr. Gandhi, however, felt that Swedish Audit Report had vindicated to a great extent his Government's stand on this issue." The Audit report exactly condemns your stand. It is a censure of your Government. And you say it has vindicated your stand." It is a shameless statement—" we had said no middlemen were to be kept and it has been confirmed that there were no middlemen at the point of signing the contract." Again a deliberate untruth and that is how this House has been led and the people have been led into this thing.

Then, there is another thing. On June 11th, the Bofors gave a statement. The spokesman for the Nobel Industries, the parent company stated on June 11th that as the customer was the Indian Govt, there could be no question of withholding the names if the customer himself, the Indian Government asks that they be disclosed."

But again after being assured by the Prime Minister that their contract will not be cancelled, Bofors announced on 27th June a new principle that it could not disclose the names as the persons to whom it had paid the money had not permitted it to do so. The person to whom it had paid had not permitted the Bofors to tell the names. That is how Bofors has been assured.

Sir, there are so many things, contradictions, self-deception and taking the country for a ride and on top of it all, you knew on 24th April when the Bofors wrote you a letter that they had an agent hereassuming that you did not know him earlier—I don't believe that—assuming that you first came to know about him on 24th April. What was the Government doing? Is it a compete' Governmenl? Is it such an inefficient Government that they could not stop a fellow who is suspected of these activities and they allow him to leave the country? He not only left the country, but there were advertisements and notices in foreign countries—shame on you —telling that there are criminal cases pending against him and he should report to authorities in India on or before July, 22. in the meanwhile, that fellow goes to our Consulate in New York and gets a power of attorney. Is not the Consulate informed about the activities of this man and that this fellow is involved in the transactions? If the Government has not informed the Consulates and Embassies about the activities of the man, is it not shielding deliberately the culprits? What else you can call it? It is a deliberate mischief and today, they say they have cancelled his pass port. Today, they are putting the responsibility on the US. Government to bring him here. You allow him to run away and ask the U.S. Government to take the res-posibility of sending him to India. Shameless Government!

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): The time given is 20 minutes. Your time is already over.

SHRI PARVATHANENI UPENDRA: I will not take much time. Sir. on top of all these, on July 4th Mr. Bradin comes here with his explanations. The Prime Minister was away and he was asked to see some snior officials of the Defence Ministry and I believe—I do not know, T cannot vouchsafe for this. I cannot put the officials into trouble—a senior official of the Defence Ministry threatened the Bofors Vice-President that unless he gave

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the names, their contract would be cancelled and we will not make the payments. Mr. Bradin sent a cable to the principals and arranged for a full delegation, including their President to come here to talk to the Government of India and give the names, the Prime Minister returned from Moscow The Political Affairs Committee met. The Officer was called. He was taken to task for threatening the Bofors man. He was asked, "What business have you got to threaten Bradin? It is the business of the Parliamentary Committee" *(Interruptions)*

AN HON. MEMBER; Do not mislead the House.

SHRI PARVATHANENI UPENDRA: All right. But the fact remains that the Government of India and the Prime Minis ter asked the team.not to come. The Prime Minister himself said that that he had asked the team not to come because nothing would come out of it. Why do you presume that nothing would come out of **it?** You could have allowed them to visit and grilled them, the press would have grilled them, and some truth would have come out. Why did you ask them not to come? Is it not another instance of shield ing? e

THE VICE CHAIRMAN (SHRI JAGESH DESAI): The time is over.

SHRI PARVATHANENI UPENDRA: I will finish in another three minutes.

(Interruptions)

SHRI NIRMAL CHATTERJEE: Mr Vice-Cchairman, let me help you by inform-ing that in the morning we met the Deputy Chaisman and we suggested that alhough two days had been allotted, it may spill over on the third day. We all agreed, the entire opposition and the Deputy Chairman and the Leader of the House agreed.

THE VICE CHAIRMAN (SHRI JAGESH DESAI) Upto 22 minutes I did not speak at all.

SHRI PARVATHANENI UPENDRA: If you want me to stop, T will stop. They are also interested in unearthing facts. It will help them. Otherwise why should go on.

(Interruptions)

Sir, even today, this Government does not know what is the legal position.

AN HON MEMBER: We know;

SHRI PARVATHANENI UPENDRA: I do not know if your Minister knows. Mr. Narayan Dutt Tiwari, the Finance Minister, in the Lok Sabha, on the 6th, said that the Swedish National Audit Bureau's report which was received by the Government of India on 4th June 1987 referred to certain winding up costs am-outing to two to three per cent of the ordered sum. This was in clear contravention of the understanding that no payments were to be made about the engagement of Indian agents.

In the light light the of latest informa tion from the Swedish National audit Bureau and in view of - the association of Anatronic Gene ral Corporation with Bofors. It was decided to take action against them under FERA.", whereas Mr. Pant says, "Some honourable Members have suggested that the Government should have cancelled the contract with Bofors. I would like the House to consider this matter carefully. First there is a legal 'aspect. One has to see whether the contract has been violated and whether you have legally impossible claims."

One Minister says "the contract **has** been violated and that is why I want to fake action" another Minister says "I do not know whether the contract has been violated"...

SHRI K C. PANT; I ask you, I ask the House, are those not relevant points? I think Mr. Upendra will admit those are relevant points.

SHRI PARVATHANENI UPENDRA: Relevant points, but two Ministers speak in two different ways. That means you are not sure of your own position. To day we have come to such a stage where the Prime Minister of this country has *to* come before Parliament and say, myself or my family members have not received any consideration. I am really ashamed of it because I never expected in these forty years of independence any Prime Minister would have to come before Parliament and

claim that kind of a thing. It never happened before and 1 wish it will never happen again... *(Interruptions).*

SHRI P. N. SUKUL (Uttar Pradesh): Similarly NTR also set up a committeee.

SHRI PARVATHANANI UPENDRA: Why bring in NTR here?

SHRI P. N. SUKUL; Here also a committee is being set up.

SHRI PARVATHANENI UPENDRA NTR had the guts to appoint a House Committee with an Opposition member as the Chairman, with an Opposition leader as the Chairman, when there was a allegation. Can you do it here?

SHRI P. N. SUKUL: Here also a House Committee is being -appointed.

SHRI PARVATHANENI UPENDRA: NTR appointed a House Committee with an Opposition leader as the Chairman. You do it here now..

THE MINISTER OF PARLIAMEN TARY AFFAIRS (SHRI H.K.L. BHAGAT) Would you kindly yield for half a minute?

SHRI PARVATHANENI UPENDRA All this will eat into my time. Can you compare your PM's image with NTR's image... *(Interruptions)*

SHRI H. K. L. BHAGAT: Mr. Upendra, you put a question. If you ask me, all those people who have carried on an orchestration of a campaign based without any evidence in the country on this issue against everybody including the Prime Minister, it is they who should feel ashamed of.

SHRI RAM AWADHESH SINGH

PROF. C. LAKSHMANNA: Was it a point of order or was it a statement made by the Minister just now?

SHRI PARVATHANENI UPENDRA: I said it with a heavy heart, I do not Teally believe it. I said it is very sad that we have come to such a stage that the Prime Minister of this land has to come and say such a thing before Parliament. But still nobody believes his statement today in the country. That I also say.. *(Interruption)*

THE VICE-CHAIRMAN (SHRI JAGESH DESAI); No, no, it is unfair... *{Interruptions)..*

SHRI ATAL BIHARI VAJPAYEE: Why? There is nothing wrong in it. You may or you may not agree with his 'assessment. There is nothing unparliamentary about it,

श्री राम अवधेश सिंह : जो इन्होंने कहा यह गैर संसदीय कैसे है ? (व्यवधान)

THE VICE-CHAIRMAN (SHRI JAGESH DESAI,): I said it is a very unfair comment.

I said that this is a very unfair remark .. .*(Interruptions)*.. . This what I said He said that the whole country does *not* believe in him and I said that this is an unfair remark... *(Interruptions).*

SHRI RAM AWADHESH SINGH: They do not believe the Prime Minister.. . *(Interruptions).*

SHRI V. GOPALSAMY: Sir, if the ruling party people say that it is an unfair remark, it is understandable; but it should come from you from the Chair... *(Interruptions).*

SHRI PARVATHANENI UPENDRA: Sir, I will take just two minutes and finish. *(Interruptions).* The question is that the whole country is exercised over the matter. When the people are throwing challenges, you have got only two options: either keep quite or you accept the challenge. But, unfortunately, when somebody, even if irresponsibly threw a challenge, the Prime Minister called him a barking dow.. . *(Interruption!,)...* That is why I say that it shows the impatience of the man to face facts... *(Interruptions)*

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please conclude now.

Expunged as ordered by the Chair.

SHRI V. GOPALSAMY: lt is immaturity. . *(interruptions).*

SHRI PARVATHANENI UPENDRA; That is why 1 started with the expression from the beginning that this Government and its leader have become nervous and panicky in the matter and they continue to be so even after few months.. *(Interruptions)* .. Therefore, today they have come with this Parliamentary committee. Yes we asked for the appointment of a Parliamentary committee but under what circumstances? When the truth was not there, was not known... *(Interruptions)*... and when there was a need to unearth the facts. But, today, every fact is at your command and it is your duty to catch the culprits and punish them. But you want to escape from taking that responsibility in the name of the Parliamentary Committee and you Want to put the responsibility on the Parliamentary committee. . *(Interruptions)*.. And, if you have got the guts, you should say, "We are clean. You have your own Parliamentary Committee and get at the truth." Have you got the guts to say that?.. . *(In-terruptions)*... Then why are you haggling? Why are you haggling over the membership? Why are you haggling over the chairmanship? Why are you haggling over the terms of reference?... *(Interruptions)* .

SHRI RAM AWADHESH SINGH: They are guilty... *(Interruptions).*

SHRI PARVATHANENI UPENDRA: If you are not guilty and if you are clean, you should then say, "We are clean and have any Committee you like. Will you say that... *(Interruptions)*... Will you accept that? You don't want to say that because you are guilty. Therefore Mr. Vice-Chairman, Sir, this Parliamentary Committee, in its present form... *(Interruptions)*... is a farce. And, it is only to divert the attention of the people, to further suppress facts, to avoid a discussion in the House and to escape taking the responsibility of taking action that this Government has ultimately come up with this thing. Unless they drastically change the terms of reference and other things, we are not going to participate in any Parliamentary Committee.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Yes, Mr. Arun Singh now.

SHRI ARUN SINGH (Uttar Pradesh); Mr. Vice-Chairman, Sir... *(Interruptions).*

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please let him start.... *(Interruptions)* -Let him start.

SHRI NIRMAL CHATTERJEE: Mr. Vice-Chairman, Sir, Mr. Arun Singh has been called to speak now. Let us request from all sections of the House Mr. Arun Singh to explain also why he resigned.

THE VICE-CHAIRMAN (SHRL JAGESH DESAI) It is for him to do it. . . *(Interruptions)*... It is for him, Yes, Mr. Arun Singh.

SHRI ARUN SINGH;. Mr. Vice-Chairman, Sir, I trust that your calling me to speak in this House will help me in staking a personal note today.

Sir, I am reminded of the quotation from Bacon, from his essay, "On Truth", and it is this:

> "What is truth? said jesting Pilate and would not wait for an answer."

SHRI GHULAM RASOOL MATTO: Sir, let him go near the mike and speak.. We are not able to hear him ..... *(Interruptions).*

SHRI ALADI ARUNA alias V. ARUNACHALAM: Mr. Singh, you come forward and come near the mike.

SHRI ARUN SINGH; All right. Sir, can I come to the front and speak?

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Yes.

SHRI ARUN SINGH: All right. sir, Francis Bacon, in his essay "On Truth" had this to say about one jesting Pilate, and the quotation is this;

> "What is truth? said jesting Pilate and would not wait for an asnwer.'*

There are many questions that have been thrown up over the last few months.

1 will deal with one question first because it is entirely personal. 1 appreciate politics is a strange profession and people tend not to take others at their word. 1 believe it was two days after i resigned that 1 made what I thougnt was an absolutely ca.egoric'al statemeut abbut the reasons for my resignation, both in the Lok Sabha and here. Today for reasons of their own, hon. Members of the opposition and unfortunately in the outside world—I am not sure whether I should use the expression "honourable'— some of the ex-hon. Members of the Congress have chosen to ignore the fact that J had made such a statement. Therefore, I will repeat categorically that I have resigned for personal reasons. As the right of an individual or the rights of this Parliament for which I have the greatest respect, nobody can question my right.

There are two fundamental parts of the Bofors problem, I am not any mire competent to deal with one part. Having heard the hon. Minister in the Lower House—I mean the Lok Sabha—I am confident that the Members of this House will be quite satisfied with the replies that they get of the queries that they are pressing. There is one part of this debate—actually more was said about it m the fLok Sabha and much more has been said about it in the press—which, to me, a3 an individual, is a cause for greatest concern because I believe that this counry is greater than any man, greater than any party and, in fact, even greater than any system. Therefore, when in search for whatever any of us is looking forward, we denigrate, in some form or fashion, this country, then we do it damage which *we* will not be able to rectify and which, in my opinion, will leave a permanent scar.

Sir, I am aware that we have a strange tradition in India. I call it tradition. Perhaps *it* is the wrong word. Ours is the only reasonably powerful State in the world, in military terms, in which, for some extraordinary reason nobody other than literally a handful of people outside the system of defence services has ever taken any interest at all in this whole process of military thmging and military planning. It is a grave condemnation of our country because one of the things that I believe is thai we will always be as great as we thnk we are. There is lack of est in an area in which in the present year, we are proposing to spend sum of 12,500 crores plus. That iack of interest even by such a dislinguisned assemblage as Parliament to me is a conde-mnation. I hope that one of the fall-outs or off-shoots of this debate, of all the discussion that has preceded it and of the deliberations that the committee will go through will be that there will be a significant rise in the) level of interest. The reason why I am going in some detail on this and 1 realise that this is not soecifi-cally related to some of the queries that have been posed by the hon. Member colleagues on this side of the House is very simple. There is almost a law which ia fact I will attempt to frame. It is something to the effect that competitiveness for the supply of a weapons system is inversely proportionate to technology. In other words, the poorer the level of technology, the higher the level of competition. I can quote two extreme examples. On the one hand, you take what would normally be thought of as a very simple infantryman's rifle. I can assure this House, Sir, and I say so because I have spent to the best of my recollection 30 years of my life as an actively interested man in the weapons system. So, I can assure this House as an enlightened layman that there is nobody, there is nobody in the world, who can single out one rifle and say that this is the best. In fact, in the case of infantryman's rifle it will be difficult for anybody to choose among even up to 20 weapons. However, people have to choose. Purchases have to be made and at the end of the day, therefore, one of those 20 will be bought. At the other end of the spectrum are weapon systems which now go under the broad terminology of star wars. For example, to quote one example, a hunter killer satellite. There are not more than two countries in the world which can mranfac-ture hunter killer satellites and only God knows whose technology is better. So, when we are talking about the purchase of weapons system, when we are talking about the acquisition of a weapons system

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there is a tendency, I consider it a very uniortunate tendency, to 'attempt to be simplistic. And it is this aspect of this Bofoits controversy, this aspect to try and reduce, what is so complex, perhaps for good reasons, perhaps it is an attempt to make it understandable, but it is an 'attempt to reduce something, that something which is exceedingly complex to something that is exceedingly simplistic in order to score a point. There is no best. There are only acceptable and not acceptable.

In the last few months, Sir, nany attempts have been made, and I do not question the bona fides of the attemors, to suggest that much that has been bonget t by this country for its own defence is suspect in terms of its quality. In the saving of thai what is, I think appreciated is that there is no general principle. It may even be true in certain cases. But in the saying of it we are in the proces perhaps unknowingly all actually destroying a system. Because one of the things that we pride ourselves on and I think very justifiably, and I do not mean to sound jingoistic, 1 am not trying to whip up any kind of feelings of unnecessary pH'rio-tic pride, is that we have very professional defence services set up. They are as competent professionally as anythng you can, find anywhere in world. This is so for a variety of reasons. Some of them, perhaps, will have to change over time. Most countries in the world—as development takes place, as economic progress takes place, it becomes more and more complicated—cannot afford as nations to keep soldiers employed in colour service for 15-17 years. They have to keep them for only 2 or 3 years. Therefore, the rotation in those countries is so fast that they find it really difficult to build a breed of professionals. We have an advantage in this country because of length of colour service that we have a professional entity where the minimum that a man stays there is 17 years of colour service. So, there are various strengths that we have. One of the strengths that we possess is—and the funny thing about it is that, perhaps, be-cause of lack of knowledge, I think largely probably because of lack of interest, we do not give ourselves the credit that we deserve—that no matter how much noise we may on make kickbacks or illegal grati fication or what have you, we happen to be one of the most strict buyers of defence. equipment in the world, irrespective of its source. The reason is not any other than the fact that we are very professional in our Defence service. Therefore, what I want to point out is that there are two levels; one is absolute level, as I said, acceptable-non-acceptable, and after that comes the relative level, and it is the relative level which is the contractual pro cess, prices, and all the *hera-pheria* that you call, which can take place here. So, I take no personal objection to any query or investigation being made or any evaluation or anything that you may has . when relative level comes into play. But where the absolute level applies, we should stop casting a doubt on our system. I would go into a little bit of information on the 155 system not in relation to Bofors which the hon. Minister will, no doubt, deal with, but the 155 concept. One of ' the thirgs that Members may be interested to know is, because a lot has been talked about ammunition, about range of the gun, etc., we have on; very senior distinguished ex-soldier here and we have another who served less but also served in colour. One I think is a paratrooper and..

SARDAR JAGJIT SINGH AURORA (Punjab); Was.

SHRI ARUN SINGH: Yes, was, md another from Armoured Corps, and I think they will bear me out when I say that in all the combat arms—they call perhaps in technology terms—possibly the most complex is our tendering. There are so many factors that come into play which affect the range and the accuracy of an in'direct fire on an artillery weapon. The simplistic statement of 24 kilometre or 30 kilometre is not just the truth; it does not even approximate to the truth. To give an example, I think this is true of the F8 77-B and it is also true of the TH IS? towed system. This 155 towed system" would normally operate on an elevation of up to 70 degree on this plane or minus 3 degree in that plane. If you fire at 70 degree with full charge, I think the shell will land 3 kilometre away and if you

the technology is on the ground, I mean, fire at at minus 3 degree, as you might be silting at the top of the hill with enemy down below, you arc firing it 'almost at direct fire weapon. I th'nk people do not even know, Members of the House do not even know, that in the 155 system which is the top of the medium artillery system there is no shell. The projectile is a separate entity and the charge of the propellant is a separate entity and comes in packs The permutations and combinations of projectiles and propellants—I hope, the hon. Minister will correct me if I am wrong because I am entirely working from memory—are something of the order of 18 types of projectiles multiplied by 8 types of propellants. This gives you something like variables of 164 projectiles and propellants. One of the biggest problem with 155, as is true of any medium artillery, at the moment in the Wes'ern world, in the Soviet Union—Soviets do not have 155, they have 152—one of the known biggest technological challenge is what we are going to do with the weapon system. Again, for the information of hon. Members, I woul'd like to Point out that to get 30 km. range on 155 currently known, you have to use a shaped projectile. You have to aerodynamically shape the projectile. Because you have to aerodynamically shape the projectile, the high explosive content st the other end is less than in a shaped projectile and it is no longer optimal. Therefore, you get the range, but you do not get the kill-effect which you want at the other end. If Members were to read more, they would know about this. In the case of artillery, for example, we have gone from what we started, crude unguided ballistic shells, through smart weapon system, intelligent weapon system, now to what we call brilliant weapon systems. 155 for the future will not fire a projectile at all. It will fire a cargo shell. Inside that cargo shell will be loaded may be 10, 15 or 20 submunition; each of that submunition classified as brilliant submunition will self-seek the targe home in and destroy These are not secrets. These are all in published literature. There is any amountj of published literature. Of course, agree with what Mr. Upendra was saying If we went out in the streets tomorrow and did a poll on what people think about the Bofors guns, they will immediately say that we do not get 24 kms., 30 kms., 22 kms. etc. Irrelevant non-sense.

SHRI CHATURANAN MISHRA: In this Motion also, there is no km.

SHRI ARUN SINGH: May I make my point? In the process of discussing the Motion, look at what we are discussing.

SHRI NIRMAL CHATTERIEE: Everything is complex under the Sun. But is there not such a language, such an expression, called *Oeteris Paribusi* Comparisons under assumption. We do make comparisons, whether it is 30 kms. or 24 kms. or 20 kms. We try to find put; under similar circumstances, what was the target. If you do not explain that, it means, you are unnecessarily fudging the issue. Under certain assumptions, are the comparisons correct; is the layman justified in comparing the distance? Certainly, I agree with you that if you make it more aerodynamic, you deliver less ammunition. I am not disputing that. But under similar conditions, if it is estimated that it will reach 30 kms. does it reach or does it reach only 15 or 20 kms.? If you do not put it that way, it will be lopsided.

SHRI ARUN SINGH: The point is well taken.

SHRI A. G. KULKARNI: Mr. Minister you say something for the layman in the streets, but there are intellectuals also who believe like that

SHRI NIRMAL CHATTERJEE: Sir, he is the layest of man.

SHRI ARUN SINGH: I think, you have hit the nail as it were very much on the head. I will come to what it is at the end or then you compare two systems, any two systems, whether it is submarines or aircraft or ships or tanks or even rifles and bayonets—you cannot imagine how much technology goes into the making of bayonets ones you get into the out-of-stage absolute into the stage of relative, then the comparison has to be done completely. In other words, let me give you an example of towed artillery system, one of the things which happens now. Today

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it exists I take my 155 mm or 105 mm in artillery system I take it behind she sand dunes. I Are a shell. The moment my shell leaves my barrel, at a range of 30 to 40 or 50 km on the -Other side he picks up on his radar my shell leaving my barrel. He computes within 3 seconds where my barrel would have been. He could see the track of my shell. He gives a counter batery order to his gun to fire at that predicted position based on that radar and before my shell hits him his shells are on their way to me. O. K. So, what do I do? I will give you two examples. Now I am on Bofors 155FH 77B. lt gives you two distinct advantages. It has an unmatched burst fire capability. It gets off a given number of rounds in a given number of seconds faster than any other 155 mm towed system in the world. That is number one. It does so because it has an auto loader which has not yet been developed by anybody else. Because it gets off, so what do I do? I fire off my two or three rounds or whatever it is and then I bring into play the second advantage that is I have an auxilary power unit which the French gun also has and drive my gun away. *So,* I fire off three rounds. His radar s*ees* the three rounds coming By that time I move my gun. If I do not have the burst fire capability on my gun, my gun is slower his amunition will arrive on my gun before I have finished firing my gun. In other words, what I am saying, this Js one variable. There are so many variables and to pick any one and make that single fact a kind of "statement *of* truth", that I think Mr Chatterjee is very unfair.

SHRI NIRMAL CHATTERJEE: Mention any other event in the world which is not a product of millions of variables.

SHRI ARUN SINGH: I am not disputing that. All I am saying is that let us then go into an analysis, intelligently discuss it and then criticise.

SHRI A. G. KULKARNI: How can you expect that?

SHRl ARUN SINGH: I know only one thing. I would like to say this became I believe it to be true. I know or at least I knew it before I resigned that in actual fact a soldier whose life is going to depend—whose life is going to 'depend —on whether the system is going to work or not to work, that soldier has faith in the system. I am not talking about a gun.

I Don't get me wrong, I am not talking of Bofors or a particular transaction They believe in the system. And I am making this as a request, nobody needs agree with me. As representatives of the people we have been on this issue strenously for the last three or *tour* months and perhaps we will be on it for- a few more months that will pass, but we, as representatives of the people, as parliamentarians, may consider that it is now necessary in the world of defence that the expenditure, in my assessment, can only increase, it can never come down, that we should henceforth, wherever technical parameters of this system come into play. find a method and this will have to be done by discussion on all sides of the House, where we can do so objectively without worrying about any political or party lines and do so in the best interests of this country. because at the end of the day, whether we are here or not, those three Services have to be in existence and On them, I assure you, and I am sure you will agree with me rests our capacity to be non-aligne'd, to be strong and to be self-reliant. So I would appeal to you..

SHRI PARVATHANENI UPENDRA: Can I interrupt you for a minute? I am putting this question. You can answer it if you can and if you want to and if it not a secret. I just want to know whether, as Minister of State for Defence, you received a report on January 5 from the School of Artillery, Deolali, through the Southern Command, pointing out the defects in the Bofors' gun—I will not read all of this—about sights, the elevating cylinders, the electric firing circuits, control cables, ammunition cranes, engine oil filters. Did you receive any such report? *A* If so, what action did you take? You need not tell us if it is a secret.

SHRI ARUN SINGH: I am fortunate. I do not have to fudge. *{Interruptions)* I do not have to prevaricate or fudge On this in any way. This is a specile

question addressed to the Minister of Defence. The Minister of Defence is here and he will no doubt specifically answer it. What I would like to tell you is what he system is. The system is actually no different No please, I am serious. Supposing you go out tomorrow, Mr. Upendra, and buy a new Maruti car. from the workshop and you drive it out. For example, one of the defects that friands of mine have had with Maruti car—I am naming that particular thing it is unfair because I do not want to malign Maruti, it is a very fine car that they make—is that sometimes they have a problem with the fuel pump, particularly in very hot weather when the ambient temperature is over 43 or 44 degrees. What do they do? They take it back to 'he show room or to whoever sold it to them and say: "Look, here is the defect with the fuel pump". Now if by definition that in your assessment is a total condemnation of the Marmi car, then I have no light to shed on the subject. *(Interruptions)* Let us not go too far. Let me be very clear about how the system works. When you take a technology, any technology, let us say when you take a new aircraft—let us not take the 155 mm gun—...

SHRI RAM AWADHESH SINGH; The question was pinpointed.

SHRI ARUN SINGH: 1 said that the Minister of Defence will no doubt answer that question So let Us take a new aircraft that is inducted into the service—a new transport aircraft, a new fighter air-craf a new helicopter, or new anything —no matter what the manufacturer may tell you. there is no manufacturer in the world who knows enough to tell you enough as the user. We have soldiers sitting here They can bear me out. There is no manufacturer in the world, not even our own manufacturers, leave alone anybody else, who can do so. The user is the man who has to study that, and when he studies that—for example, one of the evaluation processes which we 'discussed in the last Session, is that along with, let us say, you are buying a tank, one of the evaluations that takes place simultaneously with the tankmen—because the armoured corps guys are going to fight—is the EME (Electrical and Mechanical Engineers) who are going to maintain the tank, that the armoured corps is going to fight with. And this process goes 6 .p.m. on and on and on and never ends.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): I seek the permission of the House to adjourn the House after the speech of Mr Arun Singh is. completed.

SHRI ARUN SINGH: I am almost finishe'd.

SHRI NIRMAL CHATTERJEE: lt would be better if he makes a fresh reading of either Hume or Kant, refresh himself and comes back!

SHRI ARUN SINGH; Nirmalda is too clever for me, Sir. The point I was trying to make is that we can suborn the system so easily. Can you imagine how this thing is working now? You have hundreds of people running around this country—let us not talk about Sweden, Switzerland and so on—getting help of people of their acquaintance—Cap ains, Majors, Colonels, Brigadiers, Under Secretaries, Deputy Secretaries:

"कागज लीक कर दो। बस हमको कागज निकाल कर दे दो। कहीं से फोटो कापी निकालकर दे दो। क्या का गज है, वह हमको मतलब नहीं । उसमें क्रिटिसज्म होना चाहिए"।

This process, I assure you, Sir, and through you, my colleagues in this House, is u process of utter destruction. Because, if 1 his is the way that 'his game is going to be played, then, irrespective of this Government or the Government after that, this coun'ry is finished. It can't work like this. I am not accusing anybody. I am saying that as a concept, the idea you can use—as you quoted a document.. you konw, you said, "Letter, reference Def|so and so number and so on."

SHRI PARVATHANENI UPENDRA: I did not quote that leter.

SHRI ARUN SINGH: I know where thereference came from—it is from an honourable ex-Member of the Congress Party. When I say "You", I am being general I am not saying it is you; all

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of us, parliamentarians, politicians, everybody. if we use this as a method, it splils this place apart and we will split it apart of a purpose that does no benefit to anybody. It only benefits one section or the other out of us.

One of the things I was talking to a colleague of mine in this House and I will give you an example. We are 'alking about the Brasstacks exercise. They published in a magazine that at the end of the Brasstacks exercise. 45 per cent of the T-72 tanks of the Armoured Corps were down for mechanical defects be cause of the Brasstacks exercise, What a disaster Brasstacks had, a terrible thing, this and that. I was then the Minister of State and I was asked, 'Why don't you contradict the statement?' I said. Look, passing of information is not nece ssarily always a good thing. Why should I, when enemies of this country may be very happy to think that 45 per cent of our tanks were down during manoeuvres? It may give us a tactical advantage,".. . *(Interruptions).. .*

AN HON. MEMBER; You are disclosing,

SHRI ARUN SINGH: I am not disclosing it. I have not told you what the figure was. ...*(Interruptions)...* All I am saying, therefore is that this search for information, as a stick to beat somebody with, a .political weapon to use, a political objective to be achieved, is not a good enough reason to destroy this country. It is not good enough. And we cannot spend valuable time... who pays for us, who pays our salaries, who pays for this House. .. *(Interruptions)* 1 am not directing this to the Opposi'ion; please do not get me wrong. I am talking as a Member of Parliament. It ap plies equally to me. I shouij do this exercise myself I would like to know we have been in session from a certain date and we have reached a cerain date-Who has footed this bill?

SHRIMATI RENUKA CHOWDHURY (Andhra Pradesh): What takes so many . . *(Interruptions) . .*

SHRI ARUN SINGH: I am asking as a parliamentarian.

SHRIMATI RENUKA CHOWDHURY Speaking as a Member of Parlilament, I agree with you: We have wasted Government money. We are committing a fraud on the Consitution by conducting this exercise. But what preventer the Government from answering earlier? This is exactly what we are asking for. We have been also collecting. . . .

SHRI ARUN SINGH: You are getting me wrong,

SHRIMATI RENUKA CHOWDHURY: I am not.

SHRI ARUN SINGH: Please hear. Please let me finish.

SHRIMATI KANAK MUKHERIEE (West Bengal): All money is people's money.

SHRI ARUN SINGH: Exactly. Do me the courtesy of understanding that I am not trying to pin the responsibility. I am not saying that you have done it.

SHRIMATI RENUKA CHOWDHURY: I am not saying that you are pinning the responsibility You are getting me wrong. I agree with you. Perhaps you have not comprehended what I am saying. I agree with you. This is exactly the point that Opposition has been trying to make, that we should have put them to rest. These questions should have been answered much before,

SHRI ARUN SINGH: That is not being debated. No.

SHRIMATl RENUKA CHOWDHURY: Then, you should not have raises this question of who is responsi ble. this is a simple submission. 1 still agree with you. One should agree with me it is the same exchequer

SHRI ARUN SINGH: Who is the Judge, who is the jury here? Here I have raised a simple point. Please hear me. *(.Interruptions)* Please hear. I lhave asked a simple question.

THE VICE-CHAIRMAN (SHRI JA-*GESH* DESAI): Please continue.

SHRI ARUN SINGH; Sir, I have asked a very simple question. Okay? I could sitdown and we could have another five hours discussion on this question, who is responsible. I say, we are responsible.

PROF. C LAKSHMANNA: Sir, 1 just want to .....

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): Please. It is not the oint of discussion,

PROF. C LAKSHMANNA- One mi lute.

Mr. Vice-Chairman Sir, we would like *to* assure the nation that we want this country and this system to be in tact. I think, as far as that is concerned, there is no doubt about it. At the same time we do not want any creadibiliiy of any section of the society also to be undermined. Agreed, But is *the* name of . *(1/iienartions)* m asking him.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): He is not going to ans wer. Please sit down.

PROF. C. LAKSHMANNA: Let me complete Afterwards, let him say whatever he wants.

THE VICE-CHAIRMAN (SHRI JA GLSH DFSAIi: Please sit down. This can be raised in the debate.

PROP C. LAKSHMANNA: Just one econd. Let me complete. *(Interruptions)* lease yield me just a minute.

(HE VIC': CHAIRMAN (SHRI JAGESH DESAI): All right

PROF. C. LAKSHMANNA: In the name of safeguarding, we, as responsible Members of Parliament, ... THE VICE-CHAIRMAN (SHRI JAGESH DESAI): He is speaking as a Member.

PROF. C. LAKSHMANNA: Should we raise or not raise questions regarding the suitability or otherwise of any weapons system?

THE VICE-CHAIRMAN (SHRI JA- the Minister will reply speaking as a Member

LAKSHMANNA: There-like to ask him whether we only this aspect or should ner aspects also.

THE VICE-CHAIRMAN (SHRI JAGESH DESAI): No, no. Continue, Mr. Arun Singh.

SHRI ARUN SINGH: I do not represent the Government. I made a simple statement All I am saying is, I believe that I am a parliamentarian, I am not there, except as a representative in this House, as an indirect representative, but, nonetheless, a represen ative. I believe, Sir, that we are a civilise^ nation. We thave been a civilised nation for 5,000 years. We have a tradition which we should be proud of. We are, as my colleague, Mr. Bhandare has rightly pointed out, the largest single operating democracy in the world. And, Sir, we have the rule of law. And, I think, Sir, that, in fact, in our case, the four pillars of the establishment, the four pillars of democracy are alive in India—the executive, the legislature, the judiciary and the press. W operae under the rule of law and the rule of law operates un'der the burden of proof. Now, I am sneaking as an individual . I am not a minister any ,more. I cannot imagine any possibility of any such attempt as we made in the last four months to destroy the reputation of a man without any proof at all.

Sir, I say as that man himself now 'has said, if proof is there I stand by what I said in the House last time. If we are guilty then hang us. You cannot hang us until you prove us guilty. That a tempt must now end. Now let us finish that debate.

SHRI DIPEN GHOSH: You cannot give iu'dgment before Your investigation starts.

SHRI ARUN SINGH: Let us now show this country what we want o get is the truth. We want the truth. It is our right. We have a sense of moral indignation that somebody has run away with our money and we must find him. We should find him.

SHRI DIPEN GHOSH: Do you not know?

THE VICE CHAIRMAN (SHRI JAGESH DESAI): Why do you question him let him speak. No interruptions from now on.

of a joint Committee

SHRI ARUN SINGH: That is exactly what I mean. Do you not know it is innuendo of the worst order? I do not know. If I knew, I would 'do something about it.

SHRI DIPEN GHOSH: What did you say on 21st April here?

SHRI ARUN SINGH: What did I say?

SHRI DIPEN GHOSH: You read it. shall I quote.

SHRI ARUN SINGH: Mr. Dipen Ghosh, I am not yielding.

SHRI DIPEN GHOSH: You said that you had checked up. You said that you ha'd laid down the procedures. You said that there are no middlemen No pay ments were made. Now say that it has been confirmed. *(Interruptions)*

THE VICE CHAIRMAN (SHRI JAGESH DESAI): Please sit down. Please go ahead.

SHRI DIPEN GHOSH: You please give us a simple reply. What made you to resign? You give a simple reply what made you to resign. *(Interruptions).*

THE VICE CHAIRMAN (SHRI JAGESH DESAI); You sit down.

SHRI ARUN SINGH: I will tell yon exacetly what I said on 21st April. I did not bring that paper with me. I said this debate hinges on one question Has anything been, paid? And if something has been paid, then we must find out, who, why, when where for what. This Government said that then and stands by it today. And, Sir, I am not a member of the Government. I have nothing to gain from the Government. I hold today that there is not a single thing the Prime Minister has done or his Governmen has done that could suggest in term's of any proof at all that could suggest interm of any proof at all that we are not trying to find out who, what, when, why where. And that is what is important? One more thing I would like to say,

SHRI NIRMAL CHATTERJEE: Despite that Win Chadha escaped.

issue

SHRI ARUN SINGH: Despite eve[illegible]thing, I am not talking of innuendo; we are talking of proof. We are a civilised country. I go back to that. There is a burden of proof. I am talking of proof. Sir I have two appeals to make. One: Let us be very careful when we discus these matters. Through you, Sir, I make this appeal to the members of the Fourth Estate that we don't sutorn our basic system in orders to gain a specific either pers[illegible] or even ideological advantage.

AN HON. MEMBER: Political.

SHRI ARUN SINGH: Let us not su[illegible] the system. In the last three or four months, I have 20 weapon systems that have been called in question. I can tell you, you can have any number of committees you will find procedures have been followed.

I would like to make the second appeal. I am sure that there are many things that the Government could have done to keep the Opposition happy and the many things that the opposition could have done to keep the Government happy in the constitution of this Committee. Sir, as verybody agreed, this is the first time in 40 years of democracy in India that there is going to be a Joint Parliamentary Committee to investigate into this matter. My learned friend Mr. Bhadare, who I hing gave a very fi[illegible] performance here today and Mr. Salve[illegible] pointed out that there is much this Com[illegible]tee can do and one thing this Committee will definiely be able to do is it will be able to prove to the people who bro[illegible] us here that this is a functioning P[illegible]ment and that Parliament will not sto[illegible] quest for the truth. If we can do tha[illegible] we will save democracy. My personal mission to you, Sir is that if we do[illegible] I personally believe, we are threatening democracy. Thank you, Sir.

THE VICE CHAIRMAN (SHRI JAGESH DESAI): The House stands adjourned till 11.00 A.M. on Tues[illegible]

The House then a[illegible] Seventeen minutes p[illegible] clock, till eleven of Tuesday, the 11th